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MEANS WAR**

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The New People's Library . VOLUME XIV

WHY CAPITALISM
MEANS WAR

by

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LONDON

VICTOR GOLLANCZ LTD

1938

Printed in Great Britain by
The Camelot Press Ltd., London and Southampton

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CHAPTER I

THE PROBLEM STATED

A WRITER who attempts in these days to examine the problems of war and peace works with a painful sense of pressure and hurry. While his pen moves slowly over the paper, he knows that with the speed and accuracy of mechanism countless instruments driven by almighty power in every civilised land on this earth are multiplying the apparatus of slaughter. He tends, therefore, to seek for short-range solutions. He proposes a plan of disarmament or a reform of the League of Nations, a scheme for a defensive alliance or a plan for buying off the more aggressive Powers. It may be that by one or another of these methods we can gain time to breathe and look around us. It is right and necessary that we should make this effort. Few, however, even of those who make it with a certain optimism, deceive themselves about the ultimate result. We might gain ten years of relative peace, but the deep-seated causes of war would remain. Yesterday it was Belgium, the crime of Serajevo and Germany's drive to the East: to-day it may be the evil peace of Versailles or the problem of raw materials: somewhat earlier it seemed to be the partition of Africa, the break-up of China, the sickness of Turkey or the goldfields of the Transvaal. Some of these things were pretexts; some were substantial occasions for strife. But under all the shifting contemporary causes that led to international antagonism, competitive arming or actual war, was there not always some fatal flaw in our civilisation; possibly the same flaw?

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The answers are of three types. The first is ethical. War is undeniably a social act, but every society can be analysed into its component individuals: these have their passions, their vanities, their neuroses. The causes of war lie, then, in our personal human failings, which may, under the right discipline, be curable. The second answer is intellectual. War is a folly traceable to faulty reasoning and more especially to certain delusions about the economic gains that men anticipate from victory. These two schools of thought have this in common: both take an individualist view of war, and presumably of all political phenomena. The responsibility lies with each of us as a citizen, because in the lonely chambers of our own minds we feel morbidly or reason erroneously.

The third view is commonly held by socialists. It insists that war is the act of a society. It is the tribe, the feudal kingdom or the modern Empire that goes into battle. The individual is suppressed, drilled into automatic behaviour and fused into a herd. What counts in the causation of war is, therefore, presumably the nature of the belligerent society, its structure, the diffusion of power within it. War is never a sudden act of insanity. Always, with more or less concentration, society has prepared for it, alike by material armament and by some scheme of discipline. It seems to follow, therefore, that the activity of war stands in close relation to the social structure of peace-time. It may turn out, on enquiry, that the division into classes that prevails within it is significant. If this division involves gross inequality, the ruling class must rely on force. This is a commonplace of history when we study Spartans or Zulus. It may have an application less generally recognised to our own age and our own nation.

Again, the social structure is related to economic motives and to the prevalent system of production and

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distribution. Primitive peoples, when they first attempt agriculture, often adopt a laughably wasteful technique. They burn down a forest, and on the land enriched by its ashes contrive for a few seasons to grow rich crops. The soil, however, is soon exhausted, and the tribe must then move on and burn another forest. A stupid economic technique sets going a continual and inevitable process of territorial expansion. This also is a commonplace of history, and this too may have an application to our own case. For economic causes appear to drive every highly organised capitalist country into a similarly fatal process of territorial expansion. It is not their system of production that is defective. What is amiss may be their system of distribution. Because they will not expand their home market, by steadily raising the power of the masses to consume the goods that industrial progress can produce, they are driven to seek fresh markets abroad. Again, because in the starved home market they cannot profitably employ all the capital they accumulate, they are driven to invest it abroad. Once invested, it must be adequately protected in one way or another by force, preferably under the flag of their own State.

We shall look more closely at this reasoning as we proceed. What concerns us here is to map out a possible route to the solution of the related problems of force, armaments and war. Can they fail, the Socialist asks, to have some relation to the every-day class-structure and the normal economic system of a given society? The practice of keeping the labour costs of production as low as possible, inevitable under any economic system based on private profit, may involve this tendency to territorial expansion. Given a world of competing national sovereign States, each with an unequal social structure, each with some need for an apparatus of force

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at home, war is readily explained. Innumerable private follies and vices (as well as many virtues) may accompany it, but the root cause is in the economic system. Anthropologists do not accuse primitive tribes of wickedness because they burn down forests to fertilise their fields, although this practice may drive them fatally to trespass and wage war. Nor does a Socialist, until he grows heated and unscientific, accuse capitalists of wickedness. Like those old-world farmers, they are the victims of a faulty and primitive economic system. But he does insist that until we change this system we cannot hope for peace.

Before we attempt to elaborate and test this theory of the causation of war, let us glance at the rival individualist explanation. It has been persuasively stated by a writer whose talent places him at the head of all who use our language to-day. Here is the crucial paragraph (IX) in Mr. Aldous Huxley's pamphlet: *What are you going to do?*

"The causes of war are economic and can be eliminated only by a change in the economic system."

First of all, the causes of war are not exclusively economic. There have been wars of religion, wars of prestige, even wars of destruction. In the second place, even in those cases where the immediate causes of conflict between nations have been economic in character, the fact that nations exist and act as war-making units cannot be explained in economic terms. Wars, we are told, are made by capitalists and armament makers for their own private interests. But capitalists and armament makers need troops to do the fighting, an electorate to back their policy. They get their troops and their electorate because the violent divisive passions of nationalistic pride, vanity and hatred are present in the masses of their countrymen. Hence the need for pacifist organizations pledged to the realization of human unity through non-violence.

Now, it is not necessary that the Socialist should contend that "the causes of war are *exclusively* economic."

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In remoter periods, and in very primitive societies, other causes do appear to operate. Australian natives used to indulge in tribal wars, because one clan suspected its neighbour of black magic. Even this was a collective belief, however, and a social institution. Our contention is rather that in the modern world economic causes are so overwhelmingly important and so constant in their operation, that we shall not get peace till we change the economic system. It may be that some other cause would then startle us by its appearance, but on the horizon of the known world it is not visible. As for wars of religion, those that accompanied the Protestant Reformation lend themselves readily to an economic interpretation. Voltaire and other liberal historians perceived it long before Engels, Marx and Weber. Wars of "prestige" and "destruction" are surely wars to decide the balance of power, and power is usually sought because it can be turned to economic ends.

But this paragraph is interesting chiefly because it illustrates the difficulty that even the most talented mind trained (as a great novelist should be trained) to an individualistic and psychological approach experiences in grasping the Socialist case. No competent exponent of the theory suggests that wars are usually made by a sort of conspiracy in which capitalists and armament-makers indulge. Occasionally this has happened. The Jameson Raid was such a case, and in some degree the Boer War that followed it. But it would be to trifle were one to offer such an explanation of the World War of 1914. It was a trial of strength between two groups of empires, in which the stake was world-power. Each sought to annihilate the military power of the other: the Allies succeeded. The settlement illustrates the uses of power in the modern world. The Germans were robbed of their colonial empire: their foreign investments were

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confiscated, and their merchants driven out of China and other places in the sun: their mercantile marine was appropriated: they lost in great part their more valuable deposits of coal, iron and potash, together with some of their more profitable secret processes for the manufacture of nitrate and other chemicals: finally, they lost for a period their reciprocal rights under commercial treaties, and were condemned to pay a crippling indemnity. Could any neutral mind read this catalogue without drawing the conclusion that the ruling class of the victorious Empires struggled for omnipotence in order to establish its own economic ascendancy?

It is true that large numbers of capitalists and financiers profit heavily by war, while war lasts. But it is doubtful whether this anticipation of profit ever has caused a war. The pressure of the financiers and industrialists interested in armaments does, however, work indirectly but powerfully to promote war. They foster competitive arming, promote panics, and use their success in selling some type of ship or gun to one Power, as a kind of blackmail to compel its rival to buy. They form, as recent evidence before the American Senate demonstrates, an international ring. Graver than all this is the pressure in time of crisis of the whole industrial capitalist class, which welcomes a spurt in armaments as the ideal means of escape from a slump. The firms that make capital goods, and especially machinery, are always the first to suffer in a slump and the last to recover. To these firms re-armament spells prosperity and their gains stimulate the whole market. A gun is, moreover, a machine of a very unusual type. It has the merit of producing nothing. It will not glut warehouses and barns with unsaleable goods and surplus crops, as looms and ploughs may do. It may be manufactured profitably without creating the plenty that capitalism

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dreads. This kind of pressure towards costly competitive armaments certainly tends towards war, for it operates on both sides. But the chief play of the profit-motive is rather this: that as a whole the owning class is involved as trader, manufacturer and investor in the monopolistic profits of empire: these compel it even in peace to keep a great war machine: it must for economic ends maintain the power and prestige of the State whose flag covers its operations. It may not wish for war: on the contrary it would often do everything to avoid it, short of the one sacrifice that would avert it—a surrender of the power that is the bulwark of empire, and of all that empire means in terms of wealth and economic opportunity. The motives on each side are of the same order: one seeks to hold, the other to snatch.

Mr. Huxley in this illuminating paragraph has helped us to discern what is, perhaps, the ultimate difference between his school of thought and ours. He states with emphasis that nations are the "war-making units." He then explains that he means by "nations," the general body of citizens, "the electorate," and the cannon-fodder. This is, we believe, a misreading of all history, even of recent history in the democratic age. With due respect, we deny bluntly that "nations" are, or ever were, the war-making units. Wars are made by States, significantly described in the language of diplomacy as "Powers." We shall try, as we go on, to explore the meaning in this context of the idea of the State. Assuredly it cannot be equated with the electorate. The decision that ultimately spells war is commonly taken in the modern world long before the conflict of interests reaches the phase of bloodshed. Two or more States take up a certain relationship of potential antagonism towards another and towards its associates. This relationship is durable: it may outlast the life of several Ministries of

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widely different views. Sentiment plays little part in the conclusion of these ententes, pacts, or alliances: sometimes they are secret. The French nation had no choice in 1914; it was tied by its alliance to Russia. When the Tsar took his fatal decision to decree a general mobilisation, in effect he called up the conscripts of France as well. The German nation had no choice: it was bound by its alliance with Austria-Hungary. The German nation during this brief crisis was not only ill-informed but mis-informed. Our own nation was, perhaps, the most helpless of all. Two steps into an intimate relationship involved the British State with the French State long before the actual occasion of this war. The first was the decision in the last days of 1905 to authorise systematic military "conversations" between the two General Staffs. The second was the mutual naval arrangement by which the British fleet was concentrated in the North Sea and the French fleet in the Mediterranean. Morally thereby the British State assumed responsibility for the defence of the northern coast of France. The average elector, the average man who wore khaki, knew nothing of these arrangements. No "nation" made this war, least of all our nation. The point to seize is that wars are made by States, and commonly arise out of relationships into which they enter in cold blood, long before the popular passions that interest the psychological school have manifested themselves.

This one may write without belittling the study of the psychology of war, as novelists have pursued it from Tolstoy to Duhamel, or as Freud's school has begun to do. We ought to know ourselves, and war is a great revealer. But this study discloses the behaviour of the human mind, conscious and sub-conscious, after war has broken out: it has no bearing on the causation of war, for the simple reason that wars are not made by electors

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or by conscripts. The utmost one can say is that when a statesman, acting for the State he controls, in the interests of the class that dominates it, "staggers and stumbles" into war (to use the apt phrase that Mr. Lloyd George applied in retrospect to the Germans), he may count upon immunity before the bar of public opinion. So strong is the collective sense of self-preservation, so powerful the herd instinct, so mighty the passions of hate and self-esteem evoked by war, that no electorate will desert its leaders while the conflict rages, so long as any hope of victory remains. The only effective deterrent is the fear of defeat.

The reader may object that in so far as it is true that electorates are not the war-making units, the moral is that our democratic machinery is grossly defective, as no doubt it is. Some advocate greater publicity, "open covenants openly arrived at." Some have suggested (as I have done) the addition of a Standing Committee on Foreign Affairs to the machinery of Parliament. There is much to be said for such suggestions as these. But all of them involve two highly contentious assumptions. One of them is that democracies, meaning States that enjoy representative institutions based on a wide or universal franchise, are necessarily pacific. Are they so, if they possess a vast dependent Empire, which must be fenced in and held down? The owner who builds a wall around his orchard must figure in our picture of strife, no less than the marauder who scales it. The second of these assumptions is that democracy can function healthily or effectively within a Class-State—a State, that is to say, based on inequality, in which the few control the means by which the many live. To raise these doubts about political democracy may be unfashionable and unpopular. Most of us perceive that autocracies and dictatorships have a bias towards war. But because

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dictatorships have this tendency to war, it does not follow that capitalist democracies are necessarily pacific. The cause of war may lie in something common to both—their class structure and their addiction to a faulty system of distribution.

CHAPTER II

EQUALITY AND FORCE

THINKERS of the eighteenth century felt an absorbing interest in the idea of equality. Simple-minded though some of their speculations on this subject seem to us to-day, it is possible that they saw some elementary truths that we forget. Experience won in the school of life forced them to trenchant and direct conclusions. Most of them were born in the middle class, which in France especially suffered in its rights, its pocket and its self-respect from its inferior status below the gentry. Voltaire, cudgelled as a brilliant youth by an obscure aristocrat and flung into the Bastille because he sought redress, never forgot this early lesson. Thus stimulated, these philosophers speculated on equality to some purpose. A contradiction confronted them. Equality, they supposed, was the natural state of man, and they assumed as self-evident, that reason and natural law supported a general claim to equality, economic as well as civic. This ideal condition had, however, vanished from the earth. "Man has received the divine spark we call reason," wrote Voltaire, "and over almost all the earth he is enslaved." Then followed the analysis that sought to explain the origin of inequality. Voltaire saw scarcity as the primary cause, the inadequacy of the earth's natural riches to supply the wants of man. Rousseau indicted as the chief cause the institution of property and the laws that sustained it. Always in these speculations the question arose why the mass of men submit to inequality, and always with more or less subtlety the answers stressed the effects

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of force. Voltaire after announcing bluntly that every human society is inevitably divided into two classes, the oppressors and the oppressed, continues thus (*Dictionnaire Philosophique*: égalité):

Not all the oppressed are completely unhappy. Most of them are born in this condition, and incessant labour prevents them from feeling their situation too acutely. But when they do feel it, we witness wars like those of the popular party against the senate's party in Rome, and those of the peasants in Germany, England and France. All these wars end sooner or later in the enslavement of the people, because the powerful have money, and money is master of everything within a State.

Voltaire might have modified this pessimistic conclusion had he lived to see the destruction of the Bastille, in which he twice lay a prisoner. But broadly what he wrote here about force and economic power reflected the views of his century, though commonly fraud was added to force to explain why the majority must submit to inequality.

Our own generation would riddle these simple speculations with questions and qualifications. The statement that men are equal in a state of nature means little to us. We know too much about primitive societies to credit it. On the contrary, they often invent the most elaborate institutions to escape from equality. Their rites of initiation often recognise two or three far from equal grades, while their secret societies superimpose a whole hierarchy of ranks on top of the prevalent equality. In such tribes the whole interest of social life is centred on the effort to rise to a conspicuous position. Nor does experience confirm the unqualified assumption that the average man in any age resents inequality. On the contrary, his emotional structure requires from him veneration for those above him, chiefs, generals, leaders, saints and teachers. One may doubt whether this average

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man in the ranks himself aspires to be even a corporal; nor does he grudge as in any way unreasonable the rewards and honours that go to talents employed in the service of his group. But it was not this kind of personal inequality that distressed the eighteenth century. There is not necessarily or usually here any "oppression," to use Voltaire's word, or any "exploitation," to use a modern term. The inequality that gave birth to those speculations was the subjection of one class to another. It is this that leads at the appropriate moment in history to civil wars. Plainly the group that revolts must possess a certain permanence from one generation to another, a certain cohesion, a common consciousness of its wrongs and aspirations. In any large group of this kind, be it a social class, a subject race or a persecuted religious community, there will always be individuals capable of leadership, who resent the personal inferiority to which they are condemned. In the appropriate historical conditions they may rouse their fellows to a formidable rebellion, and this ever-present possibility keeps the superior class on the alert and demands permanent measures of prevention and repression. "Fraud," to use the question-begging eighteenth-century word for intellectual soporifics that rarely arose from conscious deceit or deliberate policy, will serve over long periods of darkness to economise force. Legends, rites and dogmas, what Marx called "opium," political illusions, what we call "propaganda," and finally the sedatives of "doles" and sports—all these at different stages of development will serve to reconcile vast groups of men to a predestined and hopeless inequality. Religion can persuade scores of millions of Hindus to endure their shame as "untouchables." Lazarus, even in Europe, grovelled contentedly under Dives' table, because, as the mediæval song assured him, he would one

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day "sit on an angel's knee." When such beliefs fade, illusions of inevitable progress, and a faith in the promise of political democracy take their place. But in the long run the eighteenth century was not mistaken. Force at some point must be used, or at least held in reserve, if over a long period large groups of men, conscious of their cohesion as a class or a race, must be induced to submit collectively to gross inequality. In plain words, every unequal society rests ultimately on force.

This is a generalisation which Englishmen receive with scepticism and repugnance. There is little on the surface of our daily life in this island to confirm it. The police carry no firearms, and memory must go "back many years to recall a case of the use of the troops against industrial strikers. Even in the General Strike of 1926, the use of force was not conspicuous. But that engagement, between an ill-led but amazingly unanimous working-class on the one hand and the employing class on the other, was none the less a revealing experience. Against the workers, who had withdrawn their labour to support the claim of the miners to a living wage, there was marshalled the whole power of the State. The meaning of this word will interest us increasingly as we proceed in our enquiry. In this instance the State revealed itself as a formidable coercive apparatus. The law, interpreted by eminent capitalistic lawyers, was invoked to pronounce the strike "unconstitutional." The police were mobilised and the troops paraded, with a display of tanks to back them. An immense transport organisation, prepared in advance for such an emergency, was set in motion to break the strike. The young men of the middle class, notably university students, were called out to drive lorries, 'buses and trains and to act as special constables. With hardly a disguise, the State was identified with the interests of the employing

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class, arrayed behind the coal-owners. Broadcasting was controlled and used with great effect for the same purpose, and a militant official gazette was published. Finally, the threat to confiscate the funds of the trade-unions and perhaps to imprison their leaders prepared their minds for capitulation. This threat was afterwards incorporated for use on subsequent occasions in the Trade Union Act of 1927. The whole affair was a typically English phenomenon. The workers' leaders were innocent of any revolutionary purpose. There was no bloodshed. The use of force was so managed that it offended none of our humanitarian instincts. It was, none the less, so unchallengeable that no necessity arose to fire a shot. The State with its courts, its hired police, its hired troops, and its middle-class volunteers, had bought overwhelming physical power, which it was ready to use to disarm the class-organisations of the workers by depriving them of funds. It was a perfect illustration of Voltaire's simple diagnosis: "the powerful have money and money is master of everything within a State."

The reader may reply that this terrific apparatus of coercion that we call the State is after all controlled by Parliament, which in its turn is elected on a democratic franchise. It is, then, open to the masses, if they resent the inequality, economic and social, that is their lot, to return to Parliament a majority pledged to carry out radical changes. To this claim there are two answers. In the first place it is by no means certain that a ruling and owning class would submit without physical resistance to changes that threatened its property and power, even if enacted in a perfectly constitutional way. Some will say that the Civil War and the Glorious Whig Revolution finally established the sovereignty of Parliament. A more probable reading of those events is that

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they destroyed the feudal monarchy to the advantage of the rising middle class. It does not follow that the workers can appropriate the fruits of its victory. Contemporary events in Spain may serve to remind us that even a democratic Republic may be impotent to legislate against an armed class until it has proved its physical power. This first answer warns us, then, that to attempt by sweeping changes to establish anything approaching social and economic equality would be, even in England, a hazardous adventure.

The other answer can be verified more easily from experience. Inequality under the capitalist system confers on the owning class an advantage that tends to perpetuate itself. The masses in any effort to use the machine of political democracy to establish equality are handicapped, first of all, by their relative lack of education and then by the fact that few of them have had any training in responsible positions of command. Steadily the owning class buys their abler men. It owns the daily Press, and here a double control is established, for the Press itself is in effect controlled by the opinions and prejudices of the big advertising firms. In this way and in many subtler ways, property is able to weave the thoughts of the average man and woman as a loom weaves cotton, for he depends on its Press and its films for his picture of the world in which he lives. So primed, the elector goes to the poll. On one side are ranged most of the persons and firms that give employment, promotion and patronage: these do not favour little men who harbour "dangerous thoughts." With rare exceptions, rural labourers, in their tied cottages, dread the economic power of the squire and the farmer, who may evict them or dismiss them, if they openly range themselves against the party of property. One need not argue that these forms of pressure or menace, usually subtle, but

occasionally very crude, influence the majority of manual or even of clerical workers. If they affect 10 per cent of the voters in fifty doubtful constituencies, they may assure a majority to the owning class in election after election. Once elected, the Member of Parliament is himself subject to the tight discipline of the Party Whip and votes, with rare exceptions, as an automaton. Too often, to put it crudely, he virtually bought his seat. If he revolts against the Ministry and upsets it, he must face the costs and risks of an election. Even in these conditions political democracy has, over any system of dictatorship, advantages that we can hardly exaggerate, but they ought not to blind us, when we seek to answer the question: Where in this unequal society does power effectively reside? Its focus is the Cabinet, which under ordinary conditions can always manage Parliament. The Cabinet, in its turn, is a steering, balancing committee, which responds to various pressures, of which the more formidable are continuous. Some are traditional. The heads of the fighting services and of the Foreign Office carry on the unwritten, hereditary outlook of a governing class that has conducted the affairs of this Empire for many generations. In a world of violent change, much of its instinctive sagacity persists, hardly modified since the days of Nelson and Pitt. Then come the conscious, frank embodiments of the profit-making motive, the City with the Bank as its leader, the Federation of British Industries and the rest. The Court counts for something, and so do the leading Clubs. These fix the broad lines of policy, external and internal. Periodically, after an unusual by-election and on the eve of a general election, the Party experts are consulted and mass-opinion has its fleeting moment. The shop windows are dressed (shall we say?) in League colours, and the figure of Mr. Eden prominently

displayed: the election over, first Sir Samuel Hoare and then Lord Halifax clear away the rubbish. It is true, of course, that a ransom of varying value, in the shape of doles, subsidised houses and the like, must be paid, to reconcile the masses to the privations and humiliations of inequality. Hired pens and hired presses, with the film and wireless, the Public Schools and a subsidised Church create, meanwhile, an atmosphere of acquiescence, or still more subtly distract attention to minor wrongs. This entire apparatus works on, barely sensible of any change, when for a year or two Labour, by some accident, stumbles into office.

This is the daily reality of the Class-State. In reserve lies the mechanism of force—the fighting services that promote and defend the investments and enterprises of the owning-class abroad, the Courts that administer the criminal and civil law built on the capitalist conception of property, the police, with the troops behind them, who ensure obedience to these laws. The art of our governing class is to maintain, without brutality, a degree of social and economic inequality that has no parallel in any land of equal civilisation. It can tame the Press without a censorship. It need not put labour leaders into concentration camps: it gives them knight-hoods. None the less, behind this façade of English good-nature, there lurks force confided to sure hands.

If the reader still doubts that force, even in a democracy, is the ultimate support for inequality, a case can be cited from recent history which gives its exact measure. Germany, after November 1918, was a republican and parliamentary democracy of the most improved liberal-capitalist pattern. The Allies disarmed her. Their purpose was to render her incapable of offence, or even of defence by land, sea and air. Not only was she denied a conscript army and every offensive weapon; she might

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not fortify her frontiers, nor might she possess anti-aircraft guns, though all her neighbours had their air-fleets. But she was allowed to raise a long-service professional army of 100,000 men with field artillery and machine guns, and also an armed gendarmerie. For what purpose? With such an armament, and with these numbers, it could not have defended her territory against a foreign enemy. It was described as a "police force," and was designed to cope with social revolution. In fact, armed proletarian risings did occur in several regions, some of them fairly formidable. Experience proved that this provision of armed force for the maintenance of economic inequality within an advanced political democracy was not in this instance seriously excessive. The reader may object that this German case is not typical. It is true that as a result of defeat the old order had lost prestige; its legend was destroyed. Again, in the early years of the Republic grinding poverty was common. On the other hand, the Germans are normally the most patient people in Europe, and the majority of the workers were attached to the Social-Democratic Party, which remained steadfastly loyal to the liberal-capitalist Republic. Doubtless after victory a much smaller force would suffice to fend off armed revolution in England or France, but it is arguable that in these countries, after defeat, a still more formidable army might be necessary. Certainly, after the defeat of 1871, though the French workers were still backward and unorganised, a powerful army was required to suppress their Commune in Paris, nor was it enough, in the opinion of Thiers and the republican middle class, to defeat the workers in the field and at the barricades: it was felt to be necessary to slaughter tens of thousands of their more resolute militants in cold blood, and to deport, exile or imprison a much larger number. The

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conclusion seems clear enough. Political democracies, even of an advanced republican pattern, cannot dispense with armed force,¹ while they maintain economic inequality in the form of the capitalist system.

¹ I assume that force is an evil: space fails me for a full discussion. To avoid misunderstanding, let me explain that I am not an absolutist—neither a pacifist, nor an anarchist, deeply though I respect both creeds. Force may be a necessary evil: some measures of defence, police and, I would add, revolt may be unavoidable. They, none the less, point to some imperfection in our institutions. Probably we must segregate some criminals forcibly, but if we have criminals it is because something is amiss either in the economic structure of our society, or in our ways of training the young. One never uses even the mildest degree of force towards a child or a horse without a sense that somehow one has failed. One may have to act in this repugnant way under necessity, but having acted, whether it be in international, municipal or domestic life, a wise man asks himself how he can avoid a repetition.

CHAPTER III

THE CASE OF INDIA

THAT inequality must be maintained by force is a general proposition. We have examined the case that Englishmen and liberals commonly ignore—the case of economic inequality in an advanced European democracy. There are other instances that the candid reader will concede without argument—the case, for instance, of religious discrimination. No one would dispute that Ireland was held by force before the emancipation of the Catholic electorate. It might be supposed that the case of racial inequality was equally clear. English statesmen (the late Sir William Joynson-Hicks, for example) have said bluntly that India was won by the sword and must be held by the sword. But this also is a truth on which few of us like to dwell. It is commonly believed that we hold India by our virtues. A brief glance at the facts may be salutary. India has been conquered thrice—by Clive and the early pioneers, at the Mutiny, and again in our own day during Mr. Gandhi's pacific revolt. But in truth India submits to a daily conquest. Always an extra-legal apparatus of coercion functions somewhere: agitators, Mr. Gandhi among them, may be imprisoned without trial at His Majesty's pleasure, while suspected malcontents, again without trial, can be detained in large numbers in concentration camps. Always a white garrison with its tanks and bombing planes is maintained in adequate numbers. The native Indian army is drawn from selected stocks, in whom a traditional, hereditary loyalty

has been fostered. Even so, they serve for the most part under white officers, and since the mutiny, until the other day, this Indian army was not trusted with artillery. The police, also, has its British superior officers. It is only recently that commissioned ranks in the army were opened to Indians, and as yet their numbers are inconsiderable. Behind this army on the spot, the navy keeps open the road by which reinforcements can voyage at need to the Peninsula. The map is speckled red, that it may have for this purpose its fuelling stations, its aerodromes and its sea-gates that it may close at will. Much thought, much money, much blood has gone, during many generations, to the maintenance of inequality by force.

Few readers will dispute this view of the facts if it is stated in the past tense: our fathers were provident and did our conquering for us. When they handed over the Peninsula to a Company to govern, the motive was clearly profit. But it may be argued that a new era began, even before the war, with Lord Morley's very cautious reforms. Progress has been gradual but steady. Self-government, with reservations, to be sure, and safeguards, has now been granted to India, and in the fullness of time she may attain the status of a Dominion, though no precise pledge binds this country. Let us consider this claim. It is remarkable that this period of reform has been characterised by revolts that grew in volume and in the scope of their demands. But with inadequate concessions there went full-blooded repression. A word must suffice to recall the massacre of Amritsar, which was not an isolated event. The really illuminating period began with Mr. Gandhi's revolt in 1930. It was wholly pacific. One may say that subjectively Indians achieved independence. They thought themselves into freedom. This gentle, timid people

dared to throw off their fear of British power, and to behave as though it were non-existent. Non-violence was for the average man a tactic suited to a disarmed people without a military tradition: for the few adepts, it was based on ethical and religious principles. In the early days of civil disobedience, while the repression was still mild, the National Congress operated over a large part of Northern India as an alternative government. No one who saw the country at this time, as I did, could doubt that the mass of Indians, in the villages as well as the towns, had transferred their allegiance to Congress. Peaceful demonstrations were broken up by lathi charges; the police carried heavy metal-tipped staves, and in several cases the demonstrators, women as well as men, squatted passive on the ground, and in that posture endured their blows. Though I saw some of the wounds inflicted, I will spare the reader a description. Beating, sometimes in the streets, sometimes in prison after arrest and sometimes in the peasants' houses, was the favourite method of repression. The Anglo-Indian authorities were somewhat in advance of Hitler in discovering its efficacy. During the whole period of civil disobedience about 100,000 Indians were imprisoned, often for long periods and more than once, and usually under harsh conditions: heavy fines were also inflicted. During this period there vanished permanently most of the civil liberties commonly associated with the British flag: little is now left of the freedom of the Press and any association among peasants and workers leads a precarious existence. In the end, civil disobedience collapsed: India had been re-conquered.

Meanwhile, at Westminster a new Constitution was worked out for India. In the early stages its outline was debated at the Round Table Conference, but the so-called representatives of Indian opinion had been

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nominated by the Government, and indeed hand-picked in such a way as to exaggerate the weight of every dissident minority and every form of property: the immense mass of peasants had no representation. The Constitution, in its final form, failed to secure the approval even of the Mohammedans, for whose support the Government had played, while Indian Liberals, a very moderate party, denounced it in somewhat violent language. This Constitution was, therefore, imposed on Indians without their consent. When automatically it came into effect, it conferred on them one paradoxical advantage: it enabled them to record their dissent by their votes. The Congress Party went into the elections for the provincial councils under heavy disadvantages. None the less, it scored a remarkable victory. It won in six provinces an absolute majority: in three more it was the largest party: it failed to head the poll only in two. There is no doubt that by a count of heads it had a substantial majority over India as a whole. It had called for the rejections of this Constitution, and for the summoning of an elected constituent assembly to work out another. This election was, therefore, a referendum which demonstrated that this Constitution has no sanction save tanks and machine guns.

One need not further insist that inequality in India rests on force. Because she is disarmed, she must endure what in modern times no white people within the Empire has had to suffer—the imposition of a form of government against her expressed will. One need not in detail analyse this charter of subjection which reeks of inequality in every chapter. It will suffice to recall that real power, in the shape of control over the army, is entirely reserved to the British Governor-General, and that, in the last resort, his authority is supreme over federal finance. Over every act of the elected chambers

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he has a right of veto, although they are so composed that property and the princes (most of them autocrats dependent on his support) together possess an assured majority. The provincial councils are built on a much more liberal model, but here too the Governor wields a veto.

It remains to enquire why this elaborate system of inequality is worth maintaining by force. The belief survives that it works, on the whole, for the good of this blind and ungrateful people. For this observer two considerations are decisive. Psychologically, conquest and foreign rule have been ruinous: they sapped the self-respect of this nation, destroyed its sense of responsibility for its own condition, lamed its will and fostered all the evils that flow from a helpless consciousness of imposed inferiority. The economic picture discloses a gigantic labour force that for lack of science and rational organisation produces only a fraction of the wealth required to yield even a modest level of health, comfort and enlightenment. That much of this sub-human poverty and much of the ignorance and ill-health are due to Indian beliefs and customs and to the structure of Indian society is true. But the conquest acted on the whole as a conservative influence: the forces making for change were held back by foreign autocratic rule. The direct gains from British rule have been chiefly negative—order and internal peace. If good work has been done honestly and conscientiously both by British officials and by engineers, the fact must be borne in mind that all this material progress involved a constant drain of Indian wealth to England in the shape of pensions, interest on loans and the profits of industrial enterprises. These were not spent on the spot, where they would have paid for Indian goods and services: they were a tribute that went out in the shape of a surplus of exports over

imports. Throughout the nineteenth century British policy reserved India as a market for the cheap machine-made goods of the home country, which gradually destroyed the native handicrafts, and drove the craftsmen to seek a wretched livelihood on the overcrowded land.

Free Trade delayed for several generations the growth of a native machine industry. That came eventually, but in the first period with British capital, under a barely credible system of exploitation, for labour legislation was long delayed and was inadequate when it came. Even since the war, in good years, coal mines under British ownership, which paid their skilled workers 8*d.* a day (a high wage by Indian standards), have made a profit of 100 per cent. Some thirty-two out of the fifty-one jute mills in and round Calcutta have also recorded, on occasion, a profit of 100 per cent. A careful reckoning made in the early post-war years showed that the profits of these jute mills ranged from six to eight times their total wages bill: for every £12 paid in wages to their Indian workers, they remitted £100 in profits to their shareholders in Scotland. It is generally reckoned that from £600 to £700 millions of British capital are invested in India. The part of it that earns these fabulous profits may not be large, but even the fixed-interest securities are unusually remunerative and safe.

The long-range judgments of history will fix the balance of loss and gain that Indians draw from the daily conquest of their country. The gains that fall to the British ruling class are more easily measurable. To large numbers of its young men, as officers and civil servants, it provides dignified and highly-paid careers. The Empire, as James Mill said, is a system of out-door relief for the younger sons of the upper classes. It offers to the investor an ideal field for what he calls his "savings." One should note that in fact, though not in law,

it approaches a national monopoly. The Indian Government floats its loans and raises reproductive capital only in London. Engineering works fall normally to British contractors; banking is a British service, and industrial enterprises, tea gardens and mines are usually British when they are not Indian, for in recent years the share of Indian capital has rapidly increased. It is true that as a market for British goods, which constituted two-thirds of her imports in the early years of this century, India no longer presents a wholly satisfying picture. But policy is working to remedy this decline. Since the Ottawa Conference, India, like most of the Empire, is subject to tariffs that give a preference to British imports. The peasant must now pay a duty of 50 per cent, before he can buy cheap Japanese cotton cloth. I recall an emaciated villager who showed me his darned cotton garment and assured me that he had no other. Does he "buy British" from spontaneous loyalty? A new trend of British policy has been evident since 1924, when at last fiscal protection was given to Indian industries. As the early conquerors took the bigger landlords into a sort of partnership, so the attempt is being made, with a measure of success, to win by economic concessions the loyalty of the Indian capitalist. The monstrous property-franchise adopted for the Federal legislature reveals the same calculation. It is more comfortable to sit on money-bags than on bayonets. But there is no doubt where the ultimate economic power resides and will continue to reside. The Governor-General is instructed, under the new Constitution, to veto any proposals of his Finance Minister, if in his opinion they might have the effect "whether directly or indirectly" of "prejudicing India's credit in the money-markets of the world." The "world" means, in King's English, the City of London, for India borrows nowhere else. The final test to which

Indian policy must submit is that it shall merit the confidence of British investors. So it was when the City governed this Peninsula through the East India Company, and so it is to-day.

What has been said about India might be repeated in its essentials about the whole of the dependent Empire. Always the relationship is one of inequality, though this has another character in regions that boast no ancient civilisation and no highly educated professional class. Always they provide employment for persons of the middle and upper classes. Always there is exploitation of underpaid native labour. Always (save in the treaty area of West Africa) British goods enjoy a preference. Always there is, if not a monopoly for British capital, at least an exceptionally favoured situation, which assures it a preponderance.¹ That remark applies even to some of the mandated areas. When Mr. Thomas, towards the end of his reign over the Colonies, was pressed in the Commons (April 21, 1936) for a statement on the possibility of restoring Tanganyika to Germany, he replied that £9,000,000 of British capital were invested there, and that the City had sought from him an assurance that it would be wise to invest another million. The implications of this naïve reply are interesting. It was evident that to the crude yet typically imperialistic outlook of this Minister the interest of the City in this colony was a sufficient reason for retaining it. It is also clear that in the City's view capital is ideally safe only under the British flag. This attitude has its bearing even on the Dominions. They may enjoy a status hardly distinguishable from sovereign independence, but they are bound, none the less, by tight financial bonds to the City. Australia is its mortgaged estate. In the slump, when

¹ There are, of course, exceptions, notably in the Malay States, but I think "preponderance" is not too strong a word.

that Dominion came near default, a director of the Bank descended on its self-governing territory and dictated a new deflationary basis for its entire economic life, which included drastic cuts in wages, a catastrophic increase in unemployment, and a general reduction in its standard of life. But its debt to the City of London (some £30 millions annually for fixed interest charges) was met in full. What may happen to a self-governing Dominion, if it should default on its debt to the City, we subsequently discovered in the case of Newfoundland. Its self-government was revoked, and bailiffs from London took charge of its affairs.

It is in the light of this financial penetration and control that one must interpret the apparent autonomy of the Dominions.¹ Property rules at Canberra and Pretoria as it rules at Westminster. Neither the faint tinge of reformist Socialism that colours the thinking of the Australian Labour Party nor the Afrikaner Nationalism of the Dutch seriously affect the normal working of capitalist democracy. There, as at home, ownership is decisive. But in the Dominions the local owning class, in office and even out of it, contrives to govern not entirely by means of its own ascendancy as employer, banker and newspaper-proprietor: it is also the manager and attorney of the real owner on the Thames, who supplied the capital for its mines, irrigation schemes, mortgage trusts and public loans.² On

¹ While the Statute of Westminster may seem to have made their self-government absolute, it is significant that the veto of the Crown (acting in this case on the advice of its Ministers in the United Kingdom) is retained over any legislation of a Dominion that might affect Trustee Securities injuriously. (See Report of the Conference on the Operation of Dominion Legislation, 1929, § 24.)

² The reader familiar with Sir Norman Angell's persuasive demonstrations of his central thesis, that neither the United Kingdom, nor we, the people of this island, "own" its colonial

the efficacy of this financial link the British ruling class presumably reckoned with its customary silent, instinctive sagacity, when with some misgivings it conceded

"possessions," may ask for some further elucidation. In so far as this thesis reminds the average man, above all the worker, that he is not part-owner of the Empire, it is to be welcomed. But the current words of daily speech that imply ownership are not mere nonsense. They have a meaning (as in the juridical concept of eminent domain) familiar to lawyers. Nor is this a mere legal fiction: the Indian peasant, for example, pays a heavy land-tax, which is always justified on the ground that it is in reality a rent due to the Crown as owner.

But, as the argument of this essay runs, the ownership that really counts is that of finance-capital, for which the British ruling class acts as administrator. When it is pointed out by writers of this liberal school that both the Dominions and India are truly autonomous, since they tax British goods where these compete with the products of local industry, there are two answers. Firstly, there must be some give and take: the "infant industries" of the Dominions and recently of India may be fostered, provided that a valuable preference is given to British over foreign goods. The debtor, in short, is taken into partnership, which is wise politics, and also sound business, because it helps him to pay his debts. The burden, needless to say, falls on the local consumer. Secondly, it is rather finance-capital than industry, rather the City than Lancashire, that dictates Imperial policy. But the City's interest in the Dominions turns chiefly on the exploitation of their natural resources. Its tribute flows rather from mines, mortgages and other fixed-interest charges than from the export trade in goods. This case, when we turn to the Dependent Empire (in which for most purposes India and Burmah must be reckoned), needs no elaborate argument. Here the last word in dictating economic policy rests with the Crown, which means, in effect, not the mass of the electorate but the owning class.

The same kind of qualification must be added as a weighty postscript to the doctrine of *The Great Illusion*. It may be an illusion that wars ever "pay" a nation: though to this general truth history may furnish an occasional exception. But a war of conquest may richly "pay" the owning class. The postscript is at least as important as the doctrine itself. For where the owning class is also the ruling class, it controls national policy to further its own class interests. It rarely needs to initiate a war or a war-like policy, if it has already great possessions: what it does need is a steady preponderance of force, and more particularly of naval power. With all his brilliant lucidity and his faith in reason, Sir Norman Angell misses some of the essential facts in his analysis

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self-government within the Dominion framework to the conquered Boer Republics. Debt is the invisible link of Empire.

of Empire, because he ignores the fact that ours is a Class-State, and fixes his attention on the problem of war to the exclusion of the more fundamental problem of force.

CHAPTER IV

ARMED TRADING

OUR INVESTIGATION into the nature of the middle-class capitalistic State makes progress. Because its essence is inequality at home, because it has a pyramidal class-structure, it must be provided with an adequate coercive apparatus, resting on an army that parodies the civilian hierarchy of classes. We then encountered this State as the Imperial Power in India and elsewhere. Again it rested on inequality in an even more aggravated form: it required a much more brutal apparatus of coercion, and an army whose colour guarantees its loyalty. There result from this daily application of force a variety of economic advantages that fall mainly to the owning and ruling class. We spoke incidentally of India's "tribute." The word is inevitable, but it is necessary to point out that India pays no tribute to the British Exchequer. The arrangement is one of the curiosities of modern political life. From the days of the "John" Company down to Sir Samuel Hoare's Constitution, sovereignty and responsibility have resided in Parliament and the Crown, but the working of the whole elaborate mechanism of state, the royal sentiment, the viceregal pomp, the armed power, the legal formality results not in any revenue for the community, but in profits, interest and pensions for its ruling class. The costs of this imperial enterprise fall on the taxpayer. It is the Indian peasant, illiterate, half-starved and short-lived, who pays for the garrison and the police that hold him down. But the general

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taxpayer at home meets the cost of the navy, whose primary purpose is to secure the City's investments scattered over many seas. In these singular provisions the Class-State stands revealed. It uses the myth of the nation to build up an apparatus of force that serves at home and abroad the economic interests of an owning and ruling minority. The flag and the crown, symbols of nationhood, it has appropriated for its own ends.

We must now begin to trace the dealings of this Class-State with other States. The basic principle that concerns us is that the State has a right and duty to protect its subjects abroad. The principle itself is relatively modern in its origin and grew slowly in its many applications. One may trace it to the immense growth of British sea-borne trade in the seventeenth and eighteenth centuries, and the rise in political influence of the middle and commercial classes. Merchantmen carried arms and commonly protected themselves, but where the King's ships were available, they also, notably in Indian or Spanish waters, took a hand against the commercial rivals of the City. The salient, dramatic affirmation of this right to personal protection dates from the Spanish War that resulted from an outrage on the person of Captain Jenkins in 1739, whose ears the Spaniards cut off in the West Indies. The intention was not primarily humanitarian: it was to render the profitable business of shipping safe. To Palmerston was due the immense modern extension of the doctrine. He chose in 1850 to support by a naval blockade the usurious claim of a certain Don Pacifico, a naturalised Portuguese, for a debt due to him from the Greek Government. In a famous speech he declared that

as the Roman in days of old held himself free from indignity when he could say *Civis Romanus Sum*, so also a British subject, in whatever land he may be, shall feel confident that the

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watchful eye and the strong arm of England will protect him against injustice and wrong.

So "protection" was stretched from a sea-captain's ears to a moneylender's interest. More nakedly and boldly than before, the Class-State used its armed forces to protect property and enforce profit. It was, however, rather the theoretical proclamation of the doctrine that was new than the doctrine itself. The Chinese Opium War of 1842 and its sequel in 1857 involved an even more scandalous application of its perverted ethics, for they were waged against an almost unarmed people, to compel it to open its ports to British traders, who were defying its laws by carrying poison to its markets for profit. Later in this century, it was the American Navy that battered down the closed walls of Japan, and opened its ports to trade. To this chapter of history belongs the extension to China and Japan of the singular system of extra-territoriality, that originated for wholly different reasons in Turkey. Here "protection" was carried to the highest degree conceivable. China became for the British trader "a home from home": he carried the British Empire with him in the soles of his shoes. He was subject only to his own consular courts: he paid none of the direct taxes of the land he inhabited: over his person, his property and his enterprises the Empire stretched its arm. In numerous "concessions" he even enjoyed his own municipal services and his own police. Though missionaries had the privileges of this system, it was in origin and intention a method of promoting private, capitalistic trade by means of the armed power and prestige of the State. The "unequal treaties," as the Chinese aptly call them, were imposed by force and maintained by force, since British and other gunboats patrolled not merely the coasts but the rivers. The same system prevailed

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with variations in Turkey, Egypt, Siam and for a time in Japan. Palmerston's doctrine was adopted by other Powers. President Coolidge proclaimed it in very similar words:

The person *and property* of a citizen are part of the general domain of the nation, even when abroad—wherever he goes, the duties of our Government follow him.

But his predecessors, notably Theodore Roosevelt and Mr. Wilson, had long before this used "the big stick" to back their "dollar diplomacy."

In the latter part of the nineteenth century "trade" itself underwent a decisive evolution, and the methods of the Class-State changed with it. Railway-building was now spreading to the less civilised parts of the earth, and after the railways, it was telegraphs, harbours, mines and eventually oil-wells that interested the owners of surplus capital. "Trade," which in the early machine-age had meant the export of consumers' goods, now included the export of capital goods. This outward movement of capital can be readily explained. It accumulated in the more advanced capitalist countries much more rapidly than the effective demand of the mass of consumers increased. Had it been employed at home in a further expansion of the means of production here, the rate of interest must have fallen to vanishing point. The obvious way of escape was to export it to fresh fields, where capital was scarce and the expectation of profit high. A further inducement lay in the fact that in such regions labour was cheap, unorganised, and as yet unprotected by Factory Acts. Statistics partially reveal what was happening. British external trade, measured per head of the population, was not growing. But foreign and colonial investments were growing at the prodigious rate of 74 per cent per annum (Mr. Nuthall's

figures in the *Dictionary of Political Economy*) during the years between 1882 and 1893. An immense social and political change accompanied this shift from the export of consumable goods to the export of capital. A new *rentier* class lived on the tribute of the overseas provinces, and the Liberal Party, which had once opposed Imperialism, now embraced it. This epoch culminated in the conquest of the Soudan and the Boer Republics.

The nature of this shift in trade can be realised at a glance. The merchant who sold cotton cloth dealt with other merchants, and required a minimum of protection from his government. He was, in a sense, a nomad: if one market failed him, he would develop another. But the capitalist who built a railway in China, or opened a gold-mine in the Transvaal, was anchored to the spot. His gains might depend, moreover, on the character of the government in the region he had chosen. One of the leading financiers of the Rand Mines justified the demands that led up to the Boer War by the reckoning that "good government" would mean every year an additional two and a half millions sterling in dividends. A good government was one that held the right views about native labour, the dynamite monopoly and the importation of indentured Chinese coolies. One must not assume, however, that it was clean government that the exporters of capital desired. Pre-war Turkey was far from clean, but the Palace could be bribed. Accordingly, the railways built by foreign capital would meander in sinuous curves over a flat plain, dodging the towns in their way. Indifferent to the services they rendered to the population, they earned for the foreign investor on every superfluous mile of their length a fixed kilometric guarantee. This was secured on the tithe drawn, in bad years as in good, from the harvests of the peasants. These mortgaged

revenues were supervised by European officials, who in turn were supported by the Embassies of the Great Powers, with their battleships behind them.

The exporter of capital, then, was involved with governments, and more especially with weak and decaying governments, as the exporter of goods for the common man's use was not. Either he sold a warship to such a government, or else from a government he sought a "concession" for some enterprise on its territory. In either event the exporter, whether an individual or a banking house, expected and received the "protection" of "his" own government. This elastic term now acquired an active meaning. Diplomacy was used to push the claims of British firms engaged in the export of capital. This sometimes meant that these profitable amenities of civilisation were forced upon the ruler of some "outlying region" who did not want them. It also happened with increasing frequency that two or more capitalist states competed to supply a need of which his subjects were imperfectly conscious. Diplomacy is a word that suggests polite manners and a persuasive address. No doubt these were used to induce the ruler to submit to the extraction of profit from his subjects. At times honours were bestowed on the ruler or his leading statesmen. So also were bribes. But diplomacy can use other tones. Ambassadors represent "Powers," and the distinguishing mark of a Great Power, like that of a gentleman in a former age, is the right to go armed. British ambassadors, when conversations have reached a dead end, will enliven them by whistling for a battleship. These adjuncts to diplomacy tend to appear at suitable moments to underline the more emphatic passages of a Note. Such demonstrations need not be frequent, for once made they are not readily forgotten. A typical instance occurred in China in 1897. Lord Salisbury was

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annoyed because a concession for the building of a railway had been allotted to a Belgian instead of a British firm. He thereupon instructed the British Minister to demand for British capital the right to build no less than six new lines. The Minister was to threaten that "unless they agree at once," "we" should regard their conduct "as an act of deliberate hostility against this country and shall act accordingly. After *consultation with the admiral* you may give them the number of days or hours you think proper, within which to send their reply." The fleet was in fact concentrated at Hong Kong, and China conceded 2,800 miles of railway. A lesson of this kind was usually memorised at the first hearing. Armaments also were promoted by this diplomatic technique, and so were loans. Fairly often the lenders foreclosed, with the assistance of the Class-State. Everyone recollects the notorious case of Egypt, which endured a British Occupation through two generations, because its Khedive had defaulted on a loan from the Rothschilds. The French acquired Tunis on a similar pretext.

The tendency, indeed, whenever capital export took place on a large scale in weak countries beyond Europe, was usually towards some form of political domination. The reader should note this qualification. It is not contended that all foreign investment requires this degree of protection. The early British railway builders who operated in Western Europe and the United States did not need it, for these countries had stable capitalist governments. It was, however, used against Russia the other day in the case of the Vickers engineers. In Latin America, since the British and German naval action against Venezuela over debts in 1899, armed coercion is unlikely to be used by any European Power. But even here investments are still protected. Thus we find Mr. MacDonald, in his first administration, pressing

Brazil on behalf of a British railway that wanted to levy higher freight charges. If a group of capitalists began by building a railway, they presently wished to exploit the minerals within its reach. Finding the labour supply inadequate, under the conditions that justice to themselves dictated, they might next wish to use some of the recognised forms of inducement, taxation for example; or else, encountering unrest among the native population, which seldom without instruction understood the blessings they brought it, they found it essential to undertake its training: this service, it was discovered, could be performed well and cheaply by native police under white officers. The political prestige necessary for such operations could be wielded with effect only by one Power. If several competed, they neutralised each other's pressure, and tempted the native ruler to play off one against the other. While the world was still wide, an amicable solution was sometimes found in partition, or in the recognition of spheres of influence or interest. The British and French Foreign Offices, after thwarting one another for twenty years in Egypt, eventually concluded their *Entente Cordiale*: France supported Britain in holding Egypt, while Britain helped France to take Morocco. Having torn up Persia between them, those traditional enemies, the British and Russian Empires, united in this friendly act, went on to discuss the basis of their eventual alliance.

Not all such rivalries ended as peacefully. London and Paris opposed Berlin in most of its major enterprises. It had tried to establish itself in Morocco by the customary technique: the Mannesmann Brothers, in return for a concession to exploit its iron ore, had lent money to its feeble Sultan. To settle this business the British Navy (in 1911) had actually to clear its decks for action. Germany had, by the elaborate penetration of Turkey,

acquired the right to build a trans-continental railway to Bagdad, and to exploit the minerals and oil-deposits along its route. The stakes in this long diplomatic game were all of them economic: one may visualise the whole issue as the ambition of German heavy industry to dig up the iron ore of the Atlas Mountains, to convert it in the Ruhr into steel, and lay it down as rails across the Taurus Mountains to Bagdad. But when London, Paris, and St. Petersburg stood together, as Germans saw it, to "pen them in," these rivalries over the export of capital widened out into a general engagement. The two camps quarrelled no longer over steel rails or iron ore or oil; the issue was "world-power," as the Germans phrased it. Each group of Powers piled up its rival armaments, laid its strategic railways, lengthened the terms of service of its conscripts, and built its monster Dreadnoughts. Sir Edward Grey held that it was the naval competition that made inevitable the war that ultimately sprang from an irrelevant incident. That may be a sound diagnosis, but to interpret it we must enquire what were the uses of naval power. We have seen it at work, foreclosing on loans, extorting railway concessions, deciding which of two national groups of heavy industry shall exploit deposits of iron ore. "World-Power" meant, for the owning class of the Power or group of Powers that won it, the ability to repeat such exploits without fear of opposition indefinitely, in Africa and in Asia, in the Balkans and elsewhere. The ultimate logic of the reliance on force of the unequal Class-State, in a world of many such States, each a law to itself, led, as it was bound to lead, to a struggle for "World-power." Conceivably, if the Powers of the *Entente Cordiale* had chosen to assign Morocco to Germany, if they had smiled from first to last on the Bagdad Railway, and hastened the negotiations for the transfer to her of Portuguese

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Angola, the World War might have been postponed for many years. It would not have been an easy policy to impose on the appetites of their own ruling classes, nor were the manners of Imperial Germany designed to facilitate genial concessions. In spite of some well-meant efforts at peace, the rivalry over armed trading and traders' arms drove to its bloody climax.

CHAPTER V

FORCE AND THE LEAGUE

THE READER, at this point, may find a pertinent question forming in his mind. "You have demonstrated to your own satisfaction," he may object, "a certain connection between force and inequality, both at home and in the dependent Empire. There may be something in this contention. In other words, in what you call the Class-State, a police force, with arms in reserve, will always be necessary. What, then? Civil war, if affairs go ill, is a possibility. But you have said remarkably little about international war. At the utmost you may be proving that capitalism means force, but you certainly have not proved that it means war."

I will confess, in reply, that the problem of force concerns me even more deeply than the problem of war, which I take to be consequential and secondary. Indeed, if one could separate the two, it is arguable that force, in the long run, over all the earth, even if it breeds no war, is the worse evil of the two. It degrades him who submits to it, it enslaves soul as well as body. It renders possible manifold injustice. A large number of Indians perished miserably in the drought of Mesopotamia and the damp cold of Flanders, caring little for the cause for which they died. Yet, to my thinking, force, undramatic, rarely murderous, the habitual force of the daily round of coercion, wrought in India mischiefs incomparably greater in a decade of peace than the war inflicted. It is arguable that in twenty years of Nazi rule, if it can endure so long, the German nation will suffer cruelties,

privations and an intellectual corruption and decline worse by far than the swift ruin that came upon it in four years of war. Yet I have seen several wars, both as combatant and journalist, and the horror of them is a vivid memory. But I will not attempt to justify a possibly eccentric opinion. For my contention is that a system of inequality resting necessarily on force must inevitably breed war.

Primitive man had not discovered the existence of the atmosphere. He knew all about wind, the spirits that controlled it, the spells that could set it in motion. But that air always enveloped the earth he did not know. Civilised man knows all about the air, and measures its pressure, temperature and humidity with ingenious instruments. We are in a like case about force and war. War is force that rages like a tempest: when it blows upon us we recognise it, and then we fall to inventing our spells and incantations. But the daily pressure of force we do not recognise. Sociology has given us no barometer to measure its pressure on the mind of a proletarian child, who grows up dimly aware that a power entrenched in every institution round him condemns him to a hopeless inequality. No delicate instrument informs us of the distortion that this pressure inflicts on an Indian youth, when he realises the disabilities that fall on him because he wears "the livery of the sun" within range of white men's guns. This atmosphere that envelops us and moulds us we must learn to recognise and study. When we understand the aerodynamics of force in social and international life, we shall have found the clue to the occasional hurricanes of war.

Courtesy has taught civilised men to conceal the element of force that underlies all the relations of States. We conceal it, indeed, so habitually at the bidding of good manners that we end by deceiving ourselves. We

are startled and outraged when an Emperor or Dictator, who lacks this courtesy, bangs the table with his mailed fist, as the Kaiser used to do, or boasts of his eight million bayonets, as Mussolini did in the act of proposing a gentlemen's agreement. Gentlemen, we feel, should not mention bayonets, though they may maintain a well-stocked armoury. In Spain, during the Civil War, I saw tanks camouflaged with olive branches: they were invisible as they fired among the trees. That is a model that all civilised peoples follow. We drape our tanks and smother our battleships in olive branches, but their guns are not impeded by this decoration.

In fact, behind every critical negotiation over a major issue, there goes on an anxious process of calculation. Each side knows with some degree of accuracy, or believes that it knows, the armed strength of the other. Tables show the tonnage of its ships of war and the weight of their projectiles. It is known within how many hours and days it can mobilise its reserves and fling them into action. The capacity of a rival's industry to manufacture 'planes and munitions can be roughly guessed; and so can his ability to supply himself with wheat, iron ore, and oil. On a map that hung on the wall the late Admiral Fisher used to mark daily, in years of seeming peace, the exact position at sea of every German merchant ship: he knew how many he could capture on the outbreak of war. Such reckonings are carefully pondered while the moves in the diplomatic game are co-ordinated and timed. Are they favourable? Then the Notes grow progressively stiffer and culminate in something approaching an ultimatum. Are they doubtful? Then diplomacy will play for time, propose a compromise, or call in a mediator.

If such reckonings were always infallible, there would never be a war. Each side would pile up force to the

extent of its capacity, but no gun would ever smoke, no vein would ever bleed. It would suffice to add up sums, to measure military and economic resources. That is in fact what Powers normally do in the years of so-called peace. They accumulate and reckon force: they wage what I described, in the years before 1914, as "a war of steel and gold." It is, however, a complicated and precarious arithmetic. In the first place it is rarely, in the modern world, confined to a pair of Powers. It is groups that face each other. In what circumstances and to what extent will each member honour his obligations? Who knows the solidity of the single "axis" on which Rome and Berlin revolve? British policy did cherish, for a time, the hope that it could be broken, for alternately Downing Street seemed to be trying to detach first Rome and then Berlin. How durable and effective is the Franco-Russian Pact? Would the armies of France fling themselves on the Siegfried Line, if Hitler touched Czechoslovakia, or would French action be confined to the air? British behaviour in such an event is even less predictable. Would the League emerge from its present self-effacement? In that event, would Great Britain oppose the aggressor as she did on the last occasion, that is to say by supplying his tanks and bombers with her best imperial oil? These are only a few of the conundrums that would confront the reckoner to-day. The behaviour of Europe was incomparably more predictable in 1914, and yet Berlin erred in its forecast of British action. The Balance of Power is rarely capable of accurate measurement: always in some degree it fluctuates, and always a sanguine statesman believes that with the appropriate inducement to one ruler and a secret treaty for another, he will manage to adjust it to his own advantage. But there are always imponderable elements. One side may compensate by

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the ardour of its people, or the genius of a leader, for defects in its armaments. War is rarely the conscious aim of Powers that accumulate force. Their hope, their calculation is that each addition to their visible, measureable reserves of force will enable them to claim more, to extort more in the bloodless exchanges of diplomacy. Hitler manifestly gambles on this reckoning. War, when at last it comes, means failure in this refined game of measureable force. The preponderance is no longer evident; the display has failed. War, then, is not the antithesis to the armed peace of modern Europe: it involves no appeal to a new principle. Always, though it be in courteous silence, the Powers are using force as an instrument of policy. All that happens at the outbreak of war is that latent force has sprung into motion.

This view of the play of force in normal years of peace may astonish and repel the well-bred reader. He may concede that it had an element of truth in the evil years before 1914, if he be old enough to recall them distinctly. "But surely," he may object, "all this was rendered obsolete by the creation of Mr. Wilson's League. After 1918 we all stopped talking about the Balance of Power. If force in the shape of armaments survived, it was only for purposes of defence. Your whole conception of force is mistaken, and above all un-English. The root of your mistake is that you conceive force as necessarily active. On the contrary, in a world of law such as we have inhabited since the close of the Great War, force has become passive, a slumbering and harmless giant, who will awaken only to defend the right. It is true, painfully true, that there has been a deterioration since Hitler's rise to power in 1933. The League has suffered a momentary eclipse. But what is amiss is due solely to the rise of Fascism. If you had chosen to say that *it*

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conceives force as an active principle, you would have had my assent. Turn your argumentative guns against Fascism, for your indictment of the pacific, democratic Powers misses fire."

Let us take these objections *seriatim*. It is true that we all stopped talking about a Balance of Power after 1918. There was no longer a Balance even of the most imperfect kind. The Allies by their victory had won virtual omnipotence. There was no longer any need to work out complicated and fallible calculations to ascertain which side in a negotiation possessed a probable preponderance of force. Paradoxical though it may seem, this absence of a Balance of Power was from the first a prime cause of the failure of the League.

The League did not abolish force and power. Its conception was rather to mass the force of the law-abiding Powers against a possible aggressor. The assumption was that a preponderance of power would always be available to maintain the League's authority. Technically this plan repeated the old procedure, however novel the moral and legal ideas behind it may have been. It was assumed that a Power tempted to aggression would work out a reckoning in the old way, and would usually discover that the odds against itself were overwhelming. But in fact such a Balance of Power, elastic and adjustable to every probable contingency, never existed at Geneva—a Balance, that is to say, available against any possible aggressor. For this there were two main reasons. Firstly, the British Empire at sea and the French Empire on land was each so formidable that no unquestionable, irresistible preponderance of force could be rallied against them. They, therefore, dominated the League. They were not, in the usual sense of the word, under any temptation to commit an aggression, since they were sated after their victory—though a just neutral

might have described the French invasion of the Ruhr as a very gross aggression. But plainly the League could act only with them, and never against them. Indeed, one may say that it could act effectively only if they were whole-hearted and united. Mr. Wilson had foreseen this weakness even before the League was constituted, for he justified the great increase of the American fleet on the ground that this was a necessary contribution to a healthy Balance of Power within the League. The main consequence of this defective Balance of Power within the League was that it became a wholly conservative institution. Led by two satisfied Powers, all it could do (and even this in its later years it failed to do) was to maintain the *status quo*. Its legal machinery for promoting peaceful change was so defective as to be almost negligible. But this flaw in its structure might have been overcome, if there had ever been at Geneva a preponderance of real power, economic and military, on behalf of peaceful change. That there never was, and could not be. The other main difficulty lay in the fact that the Balance of Power within the League was not elastic, and could not be turned impartially against any aggressor. Too many of its Members, occupying vital strategic positions in Europe, were tied by alliances to one another and to France. There were, it is true, always saving clauses in these alliances that brought them within the framework of the Covenant, but no form of words could alter the reality. The power, the influence, even in the long run the safety of France depended on her peculiar relationship with the Poles, the Czechs and the rest of the Powers of the second and third rank who depended on her for loans, armaments and defence. Could she press them unduly to make concessions to an ex-enemy outside her orbit: could she even judge them impartially, if they defied the League? In fact she did not, and

at the first challenge the League allowed itself to be defied, when the Poles seized Vilna and kept it.

A realistic student of the League must add another and much more fundamental explanation of its weakness. It made no attempt to prevent, penalise or even limit the aggressions of Japan upon China, though on the first occasion it registered a verbal condemnation. It made a feeble attempt to check the Italian conquest of Abyssinia. It watched the invasion of Spain by the Fascist Powers with silent indifference. It would not have been easy to stop the conquest of Chinese territory: effective measures would have demanded Russian and American co-operation, and it is uncertain how far the United States would have been willing to go. But such considerations are beside the point. In the Manchurian affair the public opinion of the ruling class in England and France, as voiced by the governmental Press, actually sided with Japan; one has grounds for supposing that this was Sir John Simon's view. In any event he remained a neutral, and from the first limited the rôle of the League to conciliation. In the case of Italy's aggression, a preponderance of force could readily have been ranged against her, but the French under M. Laval, by a curious miscalculation, regarded her as a potential ally against Germany. The British Government, month after month, postponed any consideration by the League of Mussolini's open preparations and noisy threats, until he was too deeply committed to draw back. It had in view from the first such a solution as Sir Samuel Hoare eventually proposed: that is to say, a slightly camouflaged transfer to Italy of the greater part of Abyssinia. It may have hesitated to coerce Mussolini effectually, because any humiliation might have precipitated the fall of the Fascist régime and the rise to power of a government in which workers and Socialists would have had

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at least a share. Similar considerations explained its unfriendly neutrality towards the Spanish Republic. A firm stand by London, Paris and Moscow in the early days of the Civil War, to maintain the ordinary rights of the Spanish Government under international law, would probably have deterred the Fascist Powers from carrying their intervention to the extremes it afterwards reached.

When one attempts to analyse these three cases, certain common features stand out.

(1) The British Government felt a growing consciousness of its own military weakness, but it was either reluctant to call in to its aid the full strength of other Powers, or else it doubted the possibility of enlisting them for the purpose in question. Either reading of its attitude reveals the difficulty of making "collective security" work under the League system.

(2) In varying degrees, in all three cases, but most clearly in the case of Spain, what some call an "ideological" division separated the Powers. Others would describe it as the first phase of an international class-war. On either interpretation it cut across the ranks of the League Powers. Neither in England nor in France are the parties of the Right themselves Fascist; yet they are unwilling to take strong measures against Fascist Powers, lest they should thereby strengthen the forces of the Left in Europe.

(3) The chief difficulty was, however, something very much simpler. Put to the test of action, the leading Powers of the League were unwilling to face for its principles any appreciable risk or sacrifice. When they did apply economic sanctions to Italy, they stopped far short of the total non-intercourse prescribed by the Covenant. Yet after one major failure (in the Manchurian affair), this second test was necessarily decisive:

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the League could not survive a second defeat, and did not in fact survive it, save as a whipped ghost. In plain words, these Powers did not value the League sufficiently to face for its preservation risks and sacrifices they would have incurred boldly and without hesitation in any quarrel of their own. If Japan had attacked Hong Kong, or Italy Malta, the British Empire would have fought single-handed without an hour's delay.

In plain words the ideal of collective security embodied in the League had never been accepted by these Powers as the governing fact of daily life. They remained at heart nationalist and imperialist. In recognising these facts one must state, with equal candour, that the League itself was based on a theoretically indefensible compromise. It assured to its members their entire national sovereignty. Not only did they retain their national armed forces; they were the sole judges of the amount of armament they required for their own defence. Invested with this right to arm as they thought fit, each did in fact continue to arm on the assumption that it would have to defend itself alone. Never, even in the early days of hope, did the new conception of collective security enter into the calculations of the Powers. They conscripted, built and spent as if no League existed. Naturally, therefore, it never had effective reality on the plane of concrete fact.

One may state this matter in another way. The leading Powers did not value the League, to the point of making any considerable sacrifice to preserve it, because they derived from it no obvious concrete advantages. It added nothing to their security—nothing, at any rate, that could be measured in terms of a diminished expenditure on armaments.¹ Secondly, they drew from it

¹ It is widely believed that Great Britain, at least, did disarm after the war, and began to re-arm only after Hitler's challenge.

no economic benefits. If its machinery had been used from the start to stabilise currencies; if it had tackled and solved the problem of international debts; if it had brought about a lowering of the barriers to international trade; if it had stabilised the prices of raw materials and foodstuffs, and organised their international distribution; if, finally, it had eased some acute problems of emigration, it would have won the loyalty and gratitude of its members. It would have become for them the indispensable regulator and providence of their daily economic life. The more advanced they were, the less could they have dispensed with it: they would have looked to it literally for their daily bread. After some experience of the fortunate working of such a system, no Power, certainly no Power with a highly-organised industrial and commercial development, would have dreamed of defying this League at the risk of expulsion. Its economic benefits would have served to hold it together with a minimum of reliance on its military sanctions. Perhaps the severest criticism of the League lies in the fact that its members could and did quit it without any sense that they lost anything by so doing.¹

The stricter adherents of Geneva are usually content to reply that, given its constitution, the League could not have done more than it did, either for security or for international economic organisation. Furthermore, the Great Powers would never have consented to such a sacrifice of sovereignty as would have enabled the

The facts, as published by the League, show that the total British expenditure on armaments had risen from 375 millions of gold dollars in 1913 to 535 millions in 1930. French expenditure rose from 349 to 455 millions, and that of the U.S.A. from 255 to 728 millions in the same period.

¹ This is not on my part merely a retrospective criticism. I made constructive suggestions to this effect, before the League existed, in the later editions of *The War of Steel and Gold*, and in *A League of Nations*.

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League to act effectively in these two fields. In other words, the League could consult them, and call them to a conference, but they would not submit to a majority decision. Both statements are true. We have still to enquire why the Great Powers and some who were less than great clung obstinately to this conception of absolute national sovereignty.

Liberals will answer cheerfully: this was the old traditional idea. One must allow time for such ideas to lose their hold. When a generation has passed, or possibly two or even three, the League can be strengthened in the required direction. One must have faith and patience: evolution does work.

This view of historical progress is more than questionable. Traditional ideas do not fade, like inferior dyes, merely by the lapse of time. Something must change first in the external circumstances of the men or the class who cherish these ideas. Feudal ideas—the belief in the divine right of kings, the claim to political power of men of high birth, the association of political power with the ownership of land—these notions did not fade with the lapse of time. What happened was a decline in the relative power of the class that clung to these ideas because it was to their interest to hold them. The middle, commercial and industrial classes grew rapidly in wealth, until their real economic power surpassed that of the former ruling feudal caste. The ownership of land ceased to be the only means, or even the chief means, for the acquisition of economic power. With the rise of the middle classes a new set of political ideas prevailed.

This parallel may help us to understand why this obstinate tradition of national sovereignty persists. Like every dominant political idea it has its roots in the class-structure of society. It will endure so long as that

remains unchanged. Political ideas do not move as mathematical thinking moves. They do not belong to the realm of pure reason. You cannot shift them with a syllogism. They are linked with the material interests of groups and classes.

We have been trying to grasp the meaning of the national Class-State in the capitalistic epoch. We saw what uses it made of armed power—firstly to maintain inequality at home, then to protect and promote the trading ventures and investments of its owning class overseas in competition with other national groups, and finally to maintain a highly profitable system of economic privilege in its overseas Empire, at the cost of its native population, and to the exclusion, partial or total, of other rival national groups of traders. All this it calls Defence. Manifestly what is defended is primarily the economic interest of the class that draws profits from trade and investment. The ruling class, in our society the owning and employing class, values armed power for such purposes, and is naturally resolved to keep the control of it solidly and exclusively in its own hands. In other words, it is attached to the strict doctrine of national sovereignty. As the average Tory phrases it: "he will not hand over the command of the British Navy to foreigners."

From the standpoint of his own interests and those of his class, that average Tory is right. Any adequate organisation of collective security would transfer the control of the national armed forces to the League. It would fix the strength of the armaments that each member must contribute to the general purposes of mutual defence. It could tolerate, in addition to these, no private arsenals or armies. Further, the right to use these forces would pass to the League. That is the minimum demand: I will not pause to discuss whether,

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in consequence, the League would have to develop into a rudimentary type of Federal Government.

If we consent to imagine for a moment all that this would imply, the consequences would clearly be revolutionary. The "protection" of traders and investors abroad, in so far as it involved armed force, would necessarily pass to the League. It is unthinkable that Geneva would ever employ League forces, or threaten to employ them, to promote the claims of a firm belonging to one Member-State over those of a rival belonging to another. It would be useless for a British syndicate to claim the use of the League's Fleet in order to extort from China railway concessions that otherwise might go to a Belgian group. Again, when the League became responsible for the defence of India, questions of great delicacy might soon arise. It might happen that a Commission of Enquiry would one day report to the Assembly in this sense: "If India is to remain a preferential area for British goods, and in effect a monopoly area for British capital, the present provisions for its defence are not excessive. But were its markets to be opened on equal terms to the trade and investment of all Member-States, a very considerable reduction in the costs, indirect and direct, of its defence would be feasible. Is the League justified, against the common interest, in shouldering the heavier burden?"

The Tory who forbids foreigners to meddle with the British Navy may not have thought out all the consequences, but his instinct is sound. Any development of the League that made it a reliable instrument for collective security would destroy the entire political system, based on naval power, by which his fathers have promoted the expansion of British trade and investment. Nor is it only the less intelligent spokesmen of this class who reason in this way. No less a person than the late

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Lord Milner said: "You cannot have prosperity without power. This country must remain a Great Power, or we will remain a poor country."¹

The reader will perceive that by an indirect route we are nearing our goal. A strong League, a really adequate League that could make collective security a reality, is the one expedient for the ending of international war that has commended itself to the thinking of our generation. In the way, as the one insurmountable obstacle, stands the obstinate tradition of the national sovereign state, that will not surrender its absolute control of armed power. But armed power is valued for the ends of profit by the ruling and owning class. This hard core of sovereignty survives as an asset of this owning group in a capitalist society. It is, then, the existing class-structure and the existing economic system that bar the road to the advance that would abolish war.

¹ Address to the Manchester Conservative Club, 1906.

CHAPTER VI

FASCISTS AND RAW MATERIALS

WE HAVE STILL TO CONSIDER some of the points made, plausibly enough, in the last chapter, by our imaginary critic. He said that armed force, since the institution of the League, had become in the hands of the democracies passive and defensive. Further, he traced the momentary eclipse of the League to Hitler's rise to power.

It would be equally true (though it would be a miserable half-truth) to trace the rise of the Nazi movement to the impotence of the League. Hitler's rise to power had its origin mainly in two causes. The German nation felt itself wronged and humiliated by the Versailles settlement. It was also alarmed and bewildered by its experiences in the world-slump, into which Germany plunged deeper than her neighbours. The instability of this stricken society made an opportunity for Communism. Hitler promised to save it at once from unemployment, from the dictation of the Allies, and from Communism. The League had an existence of fourteen years behind it. During this time it had done nothing to revise the Versailles Treaty. It had been a silent spectator of the continuous effort to extract an impossible ransom from Germany by coercion, and had turned a blind eye to the invasion of the Ruhr. It had been a passive witness of the economic lunacy involved in the attempt to pay international debts in gold: this, in its turn, largely accounted for the unprecedented severity of the fall in the price level that made the

slump. In short, over the decisive events of this period the League exercised no control. The chain of causation ran on to its fatal conclusion, and when the danger to European peace was evident after 1933 the League could do nothing to remove it. It is a mistake to suppose that the League flourished up to this turning-point in international affairs, and then suddenly suffered eclipse. The fact is that it never had controlled the springs of movement in history. The main events and tendencies in this period, some of them political and some economic, were in no way affected by its existence: in their cumulative effect they destroyed even the deceptive appearance of peace, and tore away the disguises that hid the anarchy in which we lived. A League, impotent to control the daily march of history and to deal with the causes and doings that must engender war, cannot ensure peace by conciliation, after follies and wrongs that it has neglected and ignored have produced their inevitable harvest of "disputes" and violence.¹

The phenomenon of Fascism, none the less, concerns our argument closely. It may be an exaggeration to say that it destroyed (or eclipsed) the League, but it has confronted it with an insoluble dilemma. If Germany, Italy and Japan remain outside it, it has lost all claim to universality, even in the Old World, and even in Europe. Yet if it could bring back these Powers, possibly by some revision of its statutes, its membership would be composed to a great extent of States that reject its idea. About this the Dictators have been so commendably frank that it is unnecessary to labour the point. Fascism is the extremest form of nationalism (or, in the German instance, of racialism). It cannot submit,

¹ The reader who questions this view of the facts may refer to my pamphlet, *Towards a New League* (*New Statesman*, 6d.), which reviews the history of this period in its relation to the League.

save for momentary opportunist purposes of limited scope, to any form of international organisation: least of all can it accept the idea of collective security. It stands for an unflinching, uncompromising reading of the meaning of sovereignty. Any considerable Fascist contingent (and already we must reckon Greece, Portugal, Poland and some others among the Europeans) in a League that works under the rule of unanimity, must wreck it from within, and ruin the hope of any restoration on a sounder basis.

We have next to examine the relationship of the democracies, as they confront the Fascist Powers, to the defensive use of force. What, to begin with, do we mean by Fascism? It seems to be a movement of the younger, more militant elements in the middle and lower middle class. It rejects representative democracy, civil liberty and the right of free discussion. It relies on the self-chosen autocratic leader, but it builds up under discipline a mass party, and imposes itself, partly by the brutal use of force exercised by its party formations, but largely also by propaganda. It is anti-rationalist. It professes to ignore class, but in fact aims at rallying the whole nation under the leadership of a militant middle-class party. To achieve this, it disarms the workers by depriving them of the right to strike and by destroying their industrial and political organisations. Both in Germany and Italy it was subsidised in its struggle for power by "big business"; yet it subjects the owning and employing class to far-reaching controls, that in some degree hamper its operations and limit its profits. The immediate purpose of this discipline, and indeed of all its domestic arrangements, would seem to be to unite the nation for war, or at least for the exercise upon its neighbours of irresistible pressure, by bluff, threats and audacious *coups de main*. It aspires to national economic

self-sufficiency, chiefly, one supposes, for military reasons, and views with equanimity the decline in the standard of life that this involves. "Guns are better than butter." It creates a system of rationed scarcity. From the scanty mess-table of its barracks, this population, driven by hunger, may one day break out, and use the guns to get the butter. Its diplomacy prepares the way, under the pretext of combating Communism, by recruiting an international coalition of Fascist States. At what does it aim? Firstly, at the preservation of capitalism against the threat from below, though it must submit to onerous regulation. Secondly, at national power, concentrated for action in a Dictator's hands. Thirdly, at expansion. The peculiarity of this ambition, whether it reveals itself in China (for the Japanese army resembles in many respects a Fascist party), in Abyssinia or Spain, is that it concentrates rather on raw materials than on markets or capital investment. One is not sure whether the major purpose of German statecraft is to absorb Central Europe, to recover her colonies, to bring Spain within her economic Empire, or to wrench the Ukraine from Russia. In the final analysis, Fascism would seem to be a peculiarly militant type of capitalism, organised for violent expansion, which arises, as the old system of international interdependence breaks down, in countries whose industrial development surpasses their natural resources and their assured market. It thrives among the dissatisfied "Have-not" Powers. It became a menace to its neighbours only after the slump and the crisis of inter-State indebtedness had broken down the normal flow of goods, capital and labour across frontiers.

The problem of raw materials holds the first place in the propaganda by which all the Fascist Powers justify their claims to expand, and colonisation comes next. It

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became acute, especially for Germany, when her foreign debts compelled her to watch her balance of trade with minute attention. Her desire, in the present state of the world, to acquire or recover territory where raw material could be produced within her own monetary system is readily intelligible. Any development that opened the world's markets more widely to her manufactured exports would partly meet her difficulty. But her motives are also strategical. Self-sufficiency in the supply of essential foodstuffs and raw materials is an element of military strength which no Power can afford to neglect. This element in military strength counts no less in peace than in war: it is one of the assets that constitute power and underline diplomatic arguments. With much less reason for anxiety, the British Empire has devoted considerable attention to it. How far the purely economic motive is reasonable depends on whether the recent general trend towards relative self-sufficiency is likely to be permanent. This Empire, more particularly since the Ottawa Conference, has done much to perpetuate this tendency. It has, moreover, for a time in the case of palm kernels and now in the case of tin, supplied a warning that raw materials may not always be available on equal terms to every purchaser. The stiff preferential tax on tin imposed by the Malay States and Nigeria is designed to favour British industry and penalise its rivals. There are at least six raw materials subject in some degree to a monopolistic or cartellised control by the few leading producers: tin, copper, nickel, rubber, potash and mercury. But this tendency shows itself, above all, in the growth of barter or bilateral trading, and the negotiation of quotas. Here the State supersedes the merchant. Dr. Schacht would tour the Balkans, and with the prestige of the Reich behind him, negotiate the exchange of a total volume of German

manufactured goods against the whole or part of a national crop or primary product.

Our entire economic environment has changed since the war ended and the League was founded. Is it surprising that our political ideas have changed with it? As men work and trade, so will they think. We lived before the slump in a cosmopolitan era of interdependence. The earth, with some irritating reserves, had become a single market-place. Capital flowed with an approach to freedom across frontiers. We supposed that the aeroplane and the internal combustion engine must soon complete the work of steam, and render frontiers obsolete. Machinery worked for internationalism and the League: national armaments, we imagined, must soon become an anachronism.

The slump crashed upon these cheerful musings. The international market shrank: that celebrated flow of capital across frontiers dried up like a summer rivulet. With perfect fidelity, politics reflected this rampant economic nationalism. Germany turned Fascist: the League suffered eclipse: the international mind faded out with the international market.

The slump passed, but in the interval the world has reorganised itself on a new basis of partial and relative self-sufficiency.

Let us look a little more closely at the economic background that influenced the Wilsonian liberal. He took his theory from Adam Smith. A century of experience had taught him that the international sub-division of work was on the whole the dominant fact in the world's production and exchange. The general rule was specialisation. Human aptitudes, climate, soil and the tricks of geology in scattering coal, iron and oil unevenly over the earth, did tend to distribute to this people an advantage in textile manufacture, to another the

supremacy in heavy industry, while the rest devoted themselves to the raising of the appropriate crops.

This background is changing. Machinery has turned nationalist. We know what the new automatic machines are doing within our own frontiers. They break down the old division between skilled and unskilled labour. But have we grasped the international significance of this development? Ten years ago, the Lancashire weaver laughed at the suggestion that a Bombay "native" could compete with him. He laughs no longer. With the automatic loom the human factor becomes negligible. Generations of inherited skill go for nothing: intelligence, education and stamina count for little. Nor is this all. The upstart industries are not handicapped by a glorious past: they begin with a modern organisation. The replacement of steam power by electricity has emancipated industry from the shackles of geology: it can dispense with coal. It seems, then, that the trade across frontiers in the common goods of daily life must go on declining, though the brisk export of machinery will continue. Science is bringing us rapidly back to the state of the early civilisations, in which every village had its own smith, its weaver and its potter. The modern unit, however, is not the village: it is the tariff area—the national state or the empire.

This argument, it may be said, breaks down over raw materials. One cannot grow cotton in Lancashire, or draw petroleum from London clay. But cotton retreats before artificial silk, and oil can be distilled from coal. Synthetic rubber can now be made by two or three processes. The plant-breeders also are busy with cereals and fruit. Politics can speed up the process of invention. Napoleon's continental blockade led to the discovery of beet-sugar. If a government cares to pay for self-sufficiency, the chemists and even the botanists will work for

it as ardently as ever the navigators and the conquistadors worked to ransack the Indies for exotic spices and precious fabrics. None the less, there are limits to this process. As yet there is no substitute for iron, nor for the coke that turns it into steel.

Some tell us that economic isolation will herald a new age of innocence. Lacking for nothing, each within his borders, what grounds shall we have for disputation with our neighbours? More it would seem than ever. For how shall a people that can no longer sell its manufactures abroad pay for the goods and raw materials that it must still import? If it cannot buy them, it must grab them. Each of us, moreover, has evolved an industrial mechanism that demands for prosperity, or even for solvency, a market of a given extent. Within what frontiers will you be pleased to suffice to yourself? Lancashire and the Black Country have their empire. But over how vast a radius are the volcanic energies of the Ruhr capable of throwing its produce? Over how many backs must Kobe and Osaka rule, that they may drape them in cotton cloth? The automatic machine threatens the international sub-division of work. But with it ends the free market, and an age of intensified imperialism begins.

Inevitably, in a world so organised, a State ill-provided with raw materials turns to a policy of expansion. Several authoritative investigations disclose the poverty of the "Have-not" Powers and the riches of the "Haves." The Royal Institute of International Affairs in its booklet on *Raw Materials and Colonies* publishes a useful table, showing the deficiencies of the leading industrial States in raw materials. Foodstuffs are not reckoned, while some of the raw materials included are of minor importance. The broad facts, none the less, emerge clearly. Thirty-four raw materials are enumer-

ated. The British Empire is "largely or entirely dependent on outside sources" for only nine of these. Germany, by the same definition, lacks 26, Italy 22 and the Japanese Empire 19. But this method of reckoning by enumeration understates the contrast. Three of the minerals that the British Empire lacks, molybdenum, antimony and mercury, are of minor importance. Two fibres which it lacks, hemp and manilla, can be substituted by jute and sisal. Again, one may ask whether petroleum should have been included among the materials that must be drawn "largely or entirely from outside sources," since the British Empire has a political control over the wells of Persia and Irak, and a financial control over Dutch, Venezuelan and Mexican supplies. It results, then, that the Empire lacks only three important materials, potash, silk and flax, none of them indispensable. Germany, on the other hand, has a sufficiency or an exportable surplus of two only of these thirty-four materials, coal and potash. Italy lacks iron, copper, tin, manganese and coal, all the minerals, save lead, of first-rate importance, as well as petroleum, rubber, cotton, wool, and timber. The United States and Russia approach the British Empire in good fortune: the French Empire follows them at some distance. These riches came to the "Haves," thanks to military and naval power. They retain their possessions by their military preparedness. If Mussolini, in search of cotton, fell upon Abyssinia rather than the Soudan, the reason was that this weak State was an easy prey: he is not yet ready to challenge the British Fleet.

Liberals deny that this inequality in natural resources constitutes a grievance. "Italy," the argument runs, "can always buy what cotton she requires from willing sellers in the world market. Prices have been low for several years. What conceivable advantages will she

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obtain by importing from Abyssinia rather than the Soudan, or the Southern States ? ” This is, of course, to ignore the difficulty in these days of tariffs and quotas that she experiences in acquiring sterling or dollars with which to buy foreign cotton. Nor does it take account of the military motive: a State that depends on others for essential raw materials is at their mercy in time of war and therefore at a disadvantage in every critical negotiation in time of peace: this deficiency is, in short, a permanent source of weakness and inferiority. There is, moreover, a risk that some raw materials (though hardly cotton) may come, like rubber and tin, under some form of monopolist control. Italy can plead that at the first Assembly of the League she raised this problem of raw materials, and proposed that the war-time controls, aiming at stable prices and rationed supplies, should be continued under a permanent international system, subject to representatives of consumers as well as producers. The latter, with Canada leading, won the day for anarchy.

The Abyssinians have an unanswerable case against a peculiarly brutal act of brigandage, but the capitalist world does not shine when Italy's case is examined. She felt the pressure of her growing population, since its usual outlets to the Americas were closed by the slump. The United States, finding itself embarrassed by a superfluity of food, shut its doors to the mouths that hungered to consume it. A rational Republic in this emergency would have imported European stomachs. Thereafter, in the effort to create the scarcity which under capitalism is the foundation of wealth, it ordered its farmers to plough in every third row of cotton. The Brazilians, meanwhile, were tossing millions of bags of coffee into the Atlantic. The Italians, accordingly, proposed to set their unwanted emigrants to grow cotton

and coffee in Abyssinia, whose climate and soil are said to be unusually favourable for the purpose. It is true that they might have bought their cotton from the Soudan and their coffee from Kenya.

Let us compare the two operations. In each case the Italian consumer must send out something in exchange for his raw cotton and coffee—lemons, Chianti, Fiat cars or what-not—which he can do to his own Colony, since there is no tariff wall in the way, more easily and advantageously than to markets of another Power. On this side of the exchange the Italian employing class will derive a profit by exploiting the labour of Italian workers. If the cotton comes from Abyssinia, a long series of profits, commissions and salaries will fall to the Italian employing and professional class. It will be carried in Italian ships and its movement will be financed by Italian banking and insurance companies. The contractors who built the roads, and the owners and makers of the motor vehicles will take their toll. Next will come the company responsible for the necessary works of irrigation, then the planter, behind these again the banks, and finally the officials, officers, policemen and slave-drivers of one grade or another who extract the basic profit from the labour of the Abyssinian natives in the fields and ginning plants. Every bale of cotton must bear some infinitesimal part of all these profits, salaries and charges. But all of them will fall to Italians. Thus the Italian owning and middle class, if one regards it as a single family, makes on this exchange two sets of profits—one on the Fiat car, and one on the cotton. If, on the other hand, the Fiat car is sent to Khartoum in exchange for bales of Soudanese cotton, the second set of profits and charges will go to the British investing and middle class. For, by a curiously parallel operation, it also had felt a concern to suppress the slave trade, and with the

aid of native troops conquered a region well adapted to the growing of cotton. It has its powerful financial syndicate which has irrigated the desert and turned it into plantations. It also has its bankers, road-builders, soldiers, policemen and civil servants, whose profits and salaries fall on its bale of cotton. It would appear, then, that the Fascist Government, acting for the Italian owning and employing class, knew what it was about when it conquered Abyssinia, as also did the British Government, acting for its own immediate supporters, when it conquered the Soudan. It may be that the latter made the sounder investment, since the Soudan presents fewer difficulties in the way of military and police operations than Abyssinia. If that country had been worth colonising, the British Empire would have kept it, when Napier over-ran it. The Roman Empire may have miscalculated, but that in no way affects the simple economic principle on which both empires relied, that two profits on an exchange transaction are better for the owning class than one. This the British Class-State clearly perceived in the early years of this century, when in spite of the adequacy of American supplies, it launched with considerable publicity a scheme to promote the growing of cotton within the Empire.

It is, of course, legitimate for any student of economics to raise the classical question: Will any or all of these imperial ventures "pay," when tested from the standpoint of the wealth of the world at large, or even from the narrower point of view of the interests of the population of the British Isles, or of the Italian peninsula? The question is of the first importance. But it is impossible to give a general answer, since against the capital charges, which include the maintenance of a navy as well as the costs of each local conquest, one must set the apparent gain in capitalist book-keeping from cheap native labour.

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Whether, by a more rational reckoning, cheap labour is gain to anyone save the employer who exploits it, is an equally vital question. For my part, I should argue that the world at large and even the population of the British Isles would in the long run be the richer if the natives who grow cotton in Nigeria, the Soudan and India, together with the poor white share-croppers in the Southern States, enjoyed a standard of life equal to that of our own middle class. But I will not pause to justify this eccentric opinion. This whole series of questions is irrelevant to the investigation in which we are engaged. The national Class-State does not aim at the wealth of the world at large, or even at the wealth of the entire population of the British Isles. It is based on inequality and intends to maintain it. Its system regards profit as the objective and criterion of all economic activity, and profits are earned only by the owning and employing minority. They involve a continuous effort to keep labour costs as low as possible. Fatally then, by the logic of their system, however kindly and well-meaning capitalist statesmen may be, they cannot aim at the general wealth, though one may concede that they often lapse into inconsistencies, whether under pressure from below, or from prudence, or from spontaneous humanity. The question, then, of the general good is irrelevant from the standpoint of capitalist imperialism. It will aim at its two profits on every exchange transaction. It will charge the cost of conquest and defence to the general taxpayer, or better still (as in India) to the subject people. The operation, on its instinctive reckoning, is sound when it serves the interest of the group that controls the Class-State.

The reader must excuse the childlike simplicity of these remarks about profit in relation to raw materials. My excuse for this emphasis is that I have read many

disquisitions on raw materials, some of them by persons of great eminence, which one and all omitted even the slightest mention of this vulgar business. In reading this voluminous literature I convinced myself that Liberals repress the idea of profit as puritans repress the idea of sex.

The effect, then, of our brief consideration of this question of raw materials is that very little remains of the liberal defence of their present distribution. The solution commonly proposed—some guarantee that the Have-nots shall always be privileged to buy from the Haves—misses the central issue. The inequality in this respect between the Haves and the Have-nots does really matter: indeed, it is one of the key facts of modern life. It matters, firstly, because in every diplomatic discussion between these two groups, it confers a marked superiority on the "Haves." It matters still more because it assures to them a rich source of profit denied to their rivals. and this, be it remembered, is only one of the several major streams of profit that flow from empire. To this must be added the gains that accrue from closed or preferential markets to the industry of the metropolis, and from investments unconnected with raw materials. Finally, all the dependent colonies, including the mandated areas, are fields of profitable employment reserved for the upper strata of the imperial peoples.

On this last subject also I am tempted to dwell, since good manners forbid everyone else to mention it. It matters gravely in this connection. Let me illustrate the point. A year before the victory of the Nazis, I received a letter from a distinguished German author, in politics a moderate Social-Democrat. He implored me to interest the British Labour Party in the demand for the return of the German colonies, at that time barely audible. He argued that the growth of the Nazi move-

ment among the youth of his country was due mainly to the terrifying unemployment that afflicted the young men of the middle, professional and upper classes. These colonies, he argued, would open to the most dangerous section of these young men, the sons of impoverished Junkers and officers, careers well suited to them. He was clearly right. This class had been hit in many ways at once—by the inflation that wiped out their parents' savings, by the reduction of the army and navy, by the loss of the colonies, and even by the emancipation of women who flocked into the civil service. These young men were now the backbone of the Nazi counter-revolution. My friend therefore wished, partly from an instinct of self-preservation, partly for their own good, to provide them with remunerative careers at a safe distance. This elegant solution was not realisable.

I hear from the liberal reader the usual scornful answer—that the whole white population of the former German colonies amounted to less than 20,000 souls. What is that among 60,000,000? But on reflection this ratio must be dismissed as irrelevant. These thousands were mostly youngish males, officers, civil servants and planters drawn from a limited class (for the colonies were tropical). How numerous in that class were the unemployed males of the right age? I cannot give the figure, but it must have been in the same order of magnitude as this colonial population. The same thing is true of the Italian and Japanese colonies. Manchuria has attracted few Japanese peasants or workers, but many officers, officials, technicians and managers. It is not, then, absurd to argue that even Germany's modest little colonial empire mattered politically. For Germany was and is, like Great Britain, a Class-State, which means that its upper and middle classes have a weight in the internal political balance of power out of all proportion

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to their numbers. This is, like the significance of profit, a fact that democrats deplore. They tend, therefore, to repress it and forget it. It is, none the less, a key fact alike in history and in modern life. It is our final instance of the kind of inequality that can be maintained only by force. Young men with athletic bodies, strong appetites and limited intellectual interests, if they have been reared in "good" families accustomed to a privileged situation in society, will break out, in one way or another, if no suitable career is open to them. Their first step was to join a militant party. Their second was to overthrow their own pacific Republic. Their third may be traced in the recent experiences of Spain, a country rich in mineral resources. These young men bombed Guernica. What objective will attract them next?

CHAPTER VII

WHAT THEY DEFEND

WE HAVE TRACED some of the causes that drove Germany and Italy into Fascism. It is a discipline devised to steel a nation for the perilous enterprise of expansion. It preserves inequality at home in order to redress it abroad. It aims at winning for the Fascist Great Powers an equal status among their peers, and this, being interpreted, is apt to mean not merely an army adequate to their ambitions, but the concrete things that armies and fleets can win—careers for younger sons, closed or preferential markets, profits from the exploitation of native labour and colonial raw materials.

We are now in a position to understand what the "Haves" defend—not democracy, but their own unequal place in the sun. We must dismiss, then, the pleasant suggestion that force in the hands of the liberal democracies is passive and inactive, a slumbering giant who wakens only to vindicate their lawful rights. To be sure, they do not use it to-day to acquire additional colonies, or even an extra mandated area. They took what they wanted in 1919. They use it to maintain the claims they staked out then and earlier. Passive force is a meaningless phrase: force never slumbers, though sentries sometimes go to sleep. The *status quo* in the political world is like equilibrium in the physical world: it is the resultant of opposing forces. One must not, however, press the simile too far, for the forces in question are not necessarily at any given moment equal. One may, however, say with confidence that a condition of repose

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that seems at a casual glance to be static, is in reality dynamic. An imperial structure resembles a cathedral or a bridge. The simple layman supposes that stones and girders are inert matter: one stone lies passive on another. The architect and the engineer know that these are elaborate systems of strains and stresses: every item is active, for ever pushing, pressing, thrusting, upwards or downwards, inwards or outwards. One could visualise the Indian Empire in physical terms as a parallelogram of opposing forces. Visit Quetta or Singapore, talk to officers on the military or naval staffs, and you will soon discard the notion that force is passive. Year in year out, through succeeding generations, these staffs are constantly working out their problems. This structure has to withstand a downward thrust from the Russian North and a lateral thrust from the Japanese East: there are, moreover, internal strains to be considered, which may cause a crack in an arch or a fissure in a wall. The building has its flying buttresses that require close attention—Afghanistan, Thibet, the Federated Malay States, and that very dubious outwork Siam.

“Drop similes,” the reader may command, “and say plainly what you mean.” I mean that through three generations or more, the rulers of India always had in view the possibility of a Russian invasion. Probably they exaggerated the risk, but they had some evidence to back their fears. On this possibility they based their whole frontier policy, their roads, their railways and their dealings with the tribes. When the Soviets succeeded the Tsar, the danger assumed a new form: it would now be a revolutionary mine that would explode, with an invasion to follow it. Given the present policy of the Third International, this danger has ceased to be actual, but Moscow is apt to revise its policies; the defensive measures continue, therefore, without pause, those of

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the police no less than those of the soldiers. As for Japan, that danger also lies in the future (as the Russian peril usually did). Japan has other pre-occupations. None the less, here, too, there is some evidence—phrases used by the Japanese Press and by much more responsible circles that were not mere rhetoric, about the mission of this people to lead Asia, to liberate it, even specifically to liberate India. From time to time a book appears by a Japanese officer plainly advocating war with the British Empire. Indian friends of mine have told me in some detail of offers they received from Japanese agents—and rejected. Among other ingenious schemes, certain shrines and holy places dear to Buddhist piety were to be acquired and maintained by the Japanese: in these, arms would be stored that would be available for rebel India at the right moment. Accordingly, at a cost of £10,000,000 a great sea-fortress has been built at Singapore: Sir Samuel Hoare has stated that the Empire now aims at naval supremacy in both hemispheres, and rumour has it that £70,000,000 may be spent on building a new fleet for the Far East. India is not, of course, the only stake that has to be defended. One must also reckon Australia and perhaps that doubtful sphere of influence, Southern China; but assuredly India comes first, or rather the whole Indian complex, which includes the Malay mines and plantations, the oil of Burmah, and the tea-gardens of Ceylon. The danger, though it is not immediate, is sufficient to occupy the engineers who watch the pulls and thrusts of forces round the imperial structure. It is true that like other imperial dangers it is a source of profit to the right people: it has provided and will provide many contracts for firms that are the backbone of the Class-State, with visible effects upon their shares. Even in danger, in this best of all possible worlds, lurk riches. There are profits, to begin with, in Indian

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jute-mills, and Burmese oil-wells; but no sooner does peril darken the azure skies above them, than further profits emerge for the investors in armament firms. But if these profits had been more widely shared, would the danger have been equally grave? If Japanese cloth could enter India under less than a 50 per cent penalty, or if the profits of the Calcutta mills went to Kobe as well as Dundee,¹ it might have been unnecessary to build docks for Dreadnoughts at Singapore.

Any survey of what we call the lawful *status quo* in the modern world would disclose many cases of the same kind. Everywhere unequal privileges and occasionally flagrant wrongs have to be defended against the possible attack, even when it must be dated in a rather distant future, of less fortunate or dissatisfied Powers. The French Empire is much more exclusive than the British. The interesting exception is the big and wealthy Dutch Empire, which has a wider "open door" than any other, presumably because the Dutch lack the military power to defend it. The legal rights that force defends were almost invariably acquired by force, though in due course they were often sanctioned by subsequent treaties. In other cases (to which list we may soon have to add Manchuria and Abyssinia) the lapse of years obliterated the crime. At what rate per cent per annum, we may ask with Herbert Spencer, does wrong become right?

"You have chosen," some reader may interject, "a peculiarly black moment for your analysis. The times through which we are passing are not typical. The next disarmament conference will succeed, as earlier conferences have done." How often, then, must we disarm?

¹ This must not be read as an endorsement of the solution sometimes advocated, that investments in dependent colonies and mandated areas should be internationalised. These would still involve a tribute and consequently an element of force.

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There never was a disarmament conference, and, in the world as we know it, there never will be one. All that these conferences ever discussed was the reduction and limitation of armaments. When reduction was achieved, as it was in the naval conferences of Washington and London, it left the ratio of strength between the leading Powers unchanged. Nothing, then, is altered in the actual balance, or in the system of the balance. There is a gain for economy, but there is no political change. To reduction there will always be an irreducible limit, while social, legal and economic inequality prevail. We have seen why Germany, even while she was a Republic, required a professional army of 100,000 men. Not much reduction, given an imposed constitution, would be possible in the garrison of India. Few of us are likely to forget how sharply Mr. MacDonald brought the Geneva Conference up against the significance of Empire, when he destroyed the hope of disarmament in the air by claiming the right to use bombing planes "for police purposes in outlying regions." Real disarmament is conceivable under three conditions. The Powers must renounce not merely the use but the ownership of force, and hand over to an international authority the duty of keeping the peace and the means with which to keep it. Secondly, they must submit every grievance to impartial settlement, without prescription of time or reference to dictated treaties. Thirdly, they must throw into a common pool, for the common good, every economic advantage they derive from sovereignty and the possession of force. Unequal property must always be fenced: privilege must always go armed. But these miracles cannot happen, while a privileged class, even in advanced democracies, maintains itself by economic and military power. A ruling class carefully avoids the road to Damascus, where a great light will sometimes

strike the wayfarer. Nor do its conceptions of sovereignty fade with the lapse of time, for they serve its pursuit of gain. These changes in our international organisation will begin to happen when the economic system changes, and with it the class structure in the homeland of the greater Powers.

Need we sum up our analysis? We have given a modern interpretation of the eighteenth-century thinkers, who perceived that in the long run inequality can be maintained only by force. We have verified their generalisation by considering the cases of the workers in a Class-State, and of subject races in a dependent Empire. This inequality had, as we saw, in both these instances its roots in the economic system we call capitalism. This economic system develops an outward thrust. It maintains itself by a continual, if spasmodic, effort to expand its market and its field of investment. In so doing, it finds it expedient to employ the prestige and armed power of the State to back the enterprise of its owning class. It encounters rivals, seeks refuge from competition in monopoly, stakes out its more or less exclusive claims. It fences them in, and must thereafter defend its barriers, partly by forces disposed on the spot, but more effectually by holding the command of the seas, and by adjusting in its own favour the Balance of Power.

Against an Empire that has prospered by acquiring overseas exclusive opportunities for profit, will always be ranged dissatisfied Powers, whose discontent may blaze into action. Arm it must, and arms are always competitive. Commonly a reckoning on paper of the armed odds serves instead of the ordeal of battle, but force under the armed peace is always active. At any moment an accident, a rash speech, a bluffer's miscalculation may plunge into war these Powers that

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trade on force. That, then, is the thesis of this essay. Capitalism requires force, and force holds war in its quiver.

CHAPTER VIII

CAN SOCIALISM GIVE PEACE?

AT THIS POINT some sceptical reader may have a word to say. "I find little difficulty," he might confess, "in accepting your thesis that capitalism means war. It is obvious that the structure of any human society and the economic motives it obeys must govern its main activities, including warfare. In a capitalist epoch it is not surprising that the responsibility for war should fall on the owning class: the pursuit of profit is bound to colour its relations with other States, both when diplomacy functions normally, and when it breaks down. The same thing was true of the feudal age: its land-owning class bore the responsibility: its dominant motive, the acquisition of titles to land and serfs, underlay its wars. A middle-class thinker, in combating feudalism, might have fixed on it the guilt of war, and called, as you call, in the name of peace, for a change of system. In fact, your friend Voltaire did argue that commerce, meaning capitalistic trade, was the great peacemaker. History has falsified that boast. My fear is, that you too are making a leap in your thinking. You have a good case against capitalism. But it does not follow that socialism will be any more pacific. The Soviet Union recruits the greatest army on earth. What is even worse, it has to maintain a formidable police to deal with internal disaffection. It seems, then, that one may achieve social, legal and economic equality, and still it will be impossible to dispense with force. I'm inclined to think that the roots of war lie deeper, in

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human nature itself. I, too, can quote Voltaire. Did he not point out that man is a carnivorous animal? But whatever the cause of his militancy may be, he will never renounce force; though, I grant you, he will use it somewhat differently, and vary the objectives of his attacks, as he passes through feudalism to capitalism, and thence to socialism."

This laughing challenge over human nature I must decline for lack of space, and it may be capacity also. This, however, one may say: that the tendency of modern psychology is to suggest that the flaws in human nature that make some men excessively combative, assertive or sadistic have their origin in early experiences that a more rational upbringing can do much to prevent. We are not doomed to fatalism about human nature. The substantial part of our critic's argument turns on his doubt about equality and his inferences from the experience of the Soviet Union.

The fact that Russia is compelled to maintain a formidable system of external defence in no way invalidates our thesis. It is the inevitable answer to the hostility of the capitalist world. This Republic struggled into life against the intervention and blockade of several Great Powers. It had to wait several years for formal diplomatic recognition. The Japanese, openly contemplating war, provoked it again and again. Hitler's Germany treats it as a pariah with whom no respectable Power can conclude a pact. The Führer, in the modern Koran of the German race, earmarked its richest provinces for future conquest. Naturally, then, Russia arms.

This, however, is not the whole story. The Soviet Union, or more accurately its ruling Communist Party, waged through the Third International for many years unflinching class-war over a great part of the earth.

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Then came Stalin's sharp reversal of communist policy after his victory over Trotsky. Moscow has postponed to the indefinite future any attempt to advance the cause of socialism abroad: it uses the new tactic of the People's Front to rally the democracies against Fascism and the Fascist Powers. But this also may be a form of international class-war. One has to realise, then, that the advance to equality may be far from peaceful. This in no way weakens our thesis, for we have not suggested that equality can always be won without some use of force.

No reasonable critic would blame the Russians for their resort to dictatorial methods during the period of intervention and civil war, though he may argue that they were needlessly prolonged and excessively ruthless. Such methods created a minority that had every motive for active resistance, and compelled the Soviet Union to build up and maintain a formidable system of police coercion and espionage. Soviet justice started with no ancient and honourable national tradition behind it. It showed a distinguished pioneering humanity in handling non-political crime, but in dealing with political offenders made no such advance.

But there is in the whole system a more fundamental flaw. It has moved faster and further towards equality than any society in human history. No owning class remains. The means of life are the possession of the whole community. Towards social equality there has been a mighty advance: the general level of education has risen with astonishing rapidity, and every career is open, not merely in theory but effectively, to any worker's or peasant's child. Women have gained incalculably, and so have the non-Russian races, including some who were backward primitives. The advance towards equality of income is less impressive, and in

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recent years there may have been in this respect some retrogression. But it is not this disparity between the income levels of different grades of workers and officials that perpetuates the regime of force. The inequality that accounts for it must be sought in the exercise of political rights. So long as the Communist Party monopolises political power, treats opposition, especially within its own ranks, as a form of treason, and denies to other political groups the effective right of association and freedom of discussion, equality is not in sight. The charter of political rights embodied in the new Constitution can have little effect in the atmosphere created by the recent purge. Until organised pacific opposition by persuasion is held to be compatible with loyalty, a democratic system cannot work normally. This may be a classless society, but it still lives under a dictatorship. There is no effective equality in political rights.

While this flaw in the Russian structure must cause profound distress to those who have watched with admiration and hope this heroic experiment that ranks in history as the greatest achievement of the human will, it does not compel us to abandon our central thesis. It is certain that inequality must rely on force: it is still reasonable to believe that an equal society, under favourable external conditions, can dispense with force, or at least with any use of it that affects the mass of its citizens. Even in the happiest of classless societies some slight provision of force may be necessary to restrain abnormal and vicious types, but these, one supposes, should rapidly decrease in numbers. For a time, at least, it may also be prudent to have in reserve an inconspicuous police force, preferably a citizen militia, capable of dealing with any violent group that might be tempted, after free debate and a fair vote, to defy the majority. Such precautions would distress only a pedant

of principle: they are not "force" in the sense of our argument. But the case we have considered obliges us to underline the old-fashioned belief that social and economic equality are not enough: they must be completed by a scrupulous legal system, independent of the executive, by effective civil liberties, and by the generous recognition of every form of free debate. Without these safeguards and facilities, economic equality cannot liberate the average citizen, nor assure a society against the kind of discontent that breeds revolt and tempts to repression.

"Men give heed to reason when they have an equal interest in the result of its operations." So wrote Professor Laski, in one of the bravest books of our generation (*The State in Theory and Practice*, p. 251). We might take this saying as the foundation of our belief that an equal society must make for peace. The rationalist case against war, from Erasmus to Angell, always was unanswerable in terms of the common good. But society was not organised for the pursuit of this general good. Always in its unequal ranks some class had ends of its own that conflicted with the general good. The nearer we approach to equality, the more may we hope from reason. It is significant that the countries in Western Europe that have come nearest to the achievement of social and economic equality, the three Scandinavian States, are also the most pacific.

A close analysis of our reasons for hope tends, I think, to confirm our faith. If it be thought that the general argument from the effects of inequality be too vague, let us review the main difficulties that we found in our path as we sought for peace in the contemporary world.

- (i) We saw that capitalist States could with difficulty, if at all, modify the old idea of absolute national

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sovereignty. Consequently it was hard to believe that they could advance rapidly towards an international federation.

(ii) The idea of a spontaneous and natural subdivision of human labour on an international scale is losing its hold over men's minds, and its mastery in the world of fact. Self-sufficiency prevails over international interdependence.

(iii) The purely capitalistic conceptions of profit and debt confronted us, when we surveyed the problems of raw materials and the colonial empire.

(iv) The root of many of our difficulties, both political and economic, might be viewed in another aspect, which discloses yet another facet of inequality. Industry, with its allied financial system, is perpetually exploiting agriculture. Industrial work earns a higher reward in income and leisure than agricultural work, whether we reckon by skill or by effort. The two wage levels and the two price levels tend to lose their proper ratio. This is true within England or the United States, but it is even more painfully evident when we contrast the levels of remuneration for equally onerous and skilful work in Birmingham or Pittsburgh with those that prevail in Kenya or Java.

If these are the forbidding passes, the frowning sierras that confront us, when we survey the contemporary landscape, let us enquire whether a classless society, under the influence of socialist thinking, should be better able to surmount them.

(i) The first pass—over sovereignty to federalism—is the easiest of the four to cross. The whole conception of sovereignty reeks of the dark centuries and the prehistoric dawn. It began with the priest-king: it was shaped by feudalism: capitalism had the wit to

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appropriate it. It survives only because a privileged class requires its cloud of quasi-mystical associations to sanctify its use of force. Every positive tradition of the working class is against it. Socialism made its first entry into history as an organised and conscious force when Marx created an international party. That ideal it never lost, that structure it never abandoned, even when its leaders fell pitifully below its own standard of international duty. The touching fidelity of every socialist party to the League, because it was the first essay in inter-State organisation, is proof enough of the vitality of the tradition. So soon as socialism commands even two Great Powers, the nucleus of an International Federation will be created.

(ii) It is probable that interdependence in the economic field and the international sub-division of work cannot be restored in the old form. This rested on the free market and the ideal of unrestricted competition. We shall return to it, maybe, on another plane, with a wholly different conception of mutual aid in our economic life. We shall trust no longer to the free play of economic motives, by which the nineteenth century meant the tendency to sell goods in a dear market and buy them in a cheap one. Rather, groups of worker-producers may aim at assisting each other, by an exchange of services, to lead a full and secure existence. The workers of Baku, let us say, can produce a great quantity of oil for use in England. If assured of a steady outlet for their produce, over a term of years, at a fixed value in exchange, they can plan ahead, rebuild their dwellings and develop their cultural life, as well as their technical equipment. Can they, by long-term contract, arrange with worker-producers in Northampton and Bradford to exchange this oil for (shall we say) boots and woollen cloth? To be sure, Russia could, if she

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chose, develop her own boot and woollen manufacture to satisfy all her needs. But she may deliberately refrain from doing so, at least in part, if a secure outlet for her oil can be arranged abroad. Each side must renounce the transitory short-range gains that might come from skilful dealing in the open market. Each must prefer the gains of security and long-range planning. That is possible when the idea of selling and buying for profit is abandoned, and two groups of producers consciously enter into a stable relationship for the exchange of services. In this way the idea of interdependence may come back on the plane of conscious, intelligent planning. It will not be easy. It will not come quickly. But, it can come only through a socialist view of human relationships, and within the framework of an international federation formed for mutual defence and mutual aid.

(iii) Seen from this new angle, within a Federation that maintained at its centre a general staff to co-ordinate and dovetail the economic plans of its Member-States, the problems of raw materials and debt grow soluble. No owning class survives to complicate the distribution of raw materials with its book-keeping for double profit. When Italy decides (if she has rid herself of Fascism and entered our Federation) in consultation with the Federal General Staff, whence she shall draw her cotton in exchange for her cars, the only relevant question will be this: where with the minimum of human toil (including the factors of irrigation, cultivation and transport) and the minimum of human friction can the cotton for her needs be produced? If force is still necessary in Abyssinia, while the Soudan is pacified and contented, then let it come from that province of the Federation's fringe. No urge of profit would drive either Italy or the Federation to force the pace of Abyssinian

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development. That country should have teachers and engineers, when it cared to welcome them, but they must enter without poison gas and carry no guns. In due time, when a free Abyssinia spontaneously wished to arrange for a bigger volume of imports, she could be helped to expand her production of coffee or of platinum in exchange.

"Then would your Federation also export capital to outlying regions," the reader may ask, "and live on the backs of its coloured debtors?" Certainly it would send out capital goods, including machines of all kinds, as Russia sends them from her industrial centre to Siberia or Turkestan. But debt is a legacy of capitalist life that an adult socialist federation would discard in such dealings. We decide (let us say) that it would be more economical to crush palm kernels for oil in West Africa than in Liverpool. We send out the machinery to the Niger precisely as we should send it to the Mersey. No debt falls on the colony, for the transaction is one within a single commonwealth. The gain is the lightening of human toil—in this instance by economising sea-transport. Our sailors would gain a little leisure: that is the only advantage we should expect—not interest. This plan would be followed in all dealings with socialised or co-operative industries and groups. This may be an eccentric conception of my own, but I have found that socialists accept it readily. From our surplus-capacity for production we should steadily send machinery gratis to Indian co-operative peasant groups, until the standard of life in our two countries had been equalised. Our society would maintain some thousands of engineers to make these machines instead of feeding and clothing these same engineers, as it does to-day, while they construct bombing planes.

A crazy plan, do you say? Contrast it with the present

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system of tribute. Which of the two plans would in a generation raise the general riches of the earth to the greatest height? Or which is the wiser course—to pay English workers to make machine guns to hold India down, or to pay them to make electric pumps to raise India's standard of life? Scrap the debts, and the machine guns could go to the museum of antique armour in the Tower.

(iv) The last pass is the steepest of the four. Are we, the mainly urban, white, working population of this island, prepared to raise the standard of life of the dark, rural, working population of India and Africa to our own level? The problem arises also at home, between city and village, but in a less acute form. The Middle West is the empire of the Atlantic States, as India is the empire of the City of London. Our proletariat is no longer where it was in Marx's day, in Lancashire: it sweats round Calcutta and Bombay. The Labour Party is capable of saying wise and generous things about the politics of empire. It stands for full autonomy, and even for self-determination. But has it faced the fact that empire means primarily a financial relationship between white creditor and dark debtor, which enables the former to thrive on roast beef while the latter starves on rice? The ending of Imperialism means one concrete thing—the smashing of this relationship of debt, the equalising of these two standards of life. When we are brave enough to make that our urgent aim, we can dispense with force and make an end of wars. That is the great adventure of the future. Socialism can inspire it; no other creed can conceive it. History will record whether socialists have the stature to accomplish it. They know what others do not guess: that peace must be built on equality.

